

CONTINENTAL SELLING PRICES: AUSTRIA S.15; BELGIUM Fr.25; DENMARK Kr.3.5; FRANCE Fr.3.0; GERMANY DM2.0; ITALY L.500; NETHERLANDS Fl.2.0; NORWAY Kr.3.5; PORTUGAL Esc.20; SPAIN Ptas.40; SWEDEN Kr.3.25; SWITZERLAND Fr.2.0; DRE 12p

NEWS SUMMARY

GENERAL

More troops ordered to Ulster

Britain's spearhead Battalion of 500 troops, which is always at readiness for deployment at short notice, is to reinforce the Army in Northern Ireland during the Queen's Silver Jubilee visit next week.

The troops—present the 1st Battalion, Scots Guards, is the Spearhead Battalion—have been requested by Lt-Gen. Sir David House, the Army commander in Ulster.

150 Palestinians reinforce Libya

About 150 Palestinian guerrilla commandos flew to Libya from Beirut yesterday to join Libyan troops and some 350 other Palestinians along the sensitive border with Egypt. Meanwhile the Soviet Union expressed concern that the Palestinians might be excluded from the peace-making process under the U.S. Egyptian plan.

Faults found in Trident 3s

British Airways cancelled some flights on European routes and reorganised others after cracks had been found in the wings of some of its Trident 3s. Flights are expected to be normal to-day. The faults were discovered during routine maintenance checks.

Towards a more secure Europe

Thirty-three European countries, the U.S. and Canada, reached agreement on the ground rules for the autumn European Security Conference, the U.S. defence secretary, Mr. Albert Shriver, said in Belgrade. Back Page.

Windscale mishap

A worker at British Nuclear Fuels' Windscale chemical plant in West Cumbria was found to be wearing contaminated clothing during a week-end check. The company said.

Miners trapped

South Africa is to send four rescue teams to assist in a Mozambique coal pit disaster in which 150 miners were reported trapped.

New York blasts

A Puerto Rican extremist group blew New York into turmoil when two bombs left one man dead and injured eight other people. Nearly 100,000 people were evacuated from more than 100 Manhattan office blocks after explosions in the Mobil and Christian Science skyscrapers.

Packer case

Judgment in the High Court action brought by Mr. Kerry Packer, the Australian TV impresario, and some of the other shareholders who have signed for this Test series is expected to-day.

Rats in orbit

Rats and flies were launched into earth orbit aboard a Soviet satellite to further a research programme drawn up with the U.S. and other countries into the effects of weightlessness in space.

Rolls-Royceski

A seven-seater luxury car, the Gorky Gaz 14, complete with air conditioning, stereo radio and tape player, is ready for production in the Soviet Union. Tass reported. The car has three rows of seats, an eight cylinder engine, automatic transmission and a top speed of 110 m.p.h.

Briefly . . .

Queen Elizabeth the Queen Mother is 77 to-day.
Mr. Bhutto, the former Pakistani Prime Minister, said last night that he would take part in the October 18 General Election.
Fifteen Saab cars, worth £5,200 each, were handed over to the Derby County first team squad as part of a sponsorship deal.

BUSINESS

Equities rise 6.3; gilt issue awaited

EQUITIES gained further ground as stock market hopes of a cut in Minimum Lending Rate strengthened. The FT 30-Share Index rose 6.3 to 458.2, still 19.2 off its 1977 peak in May.

GILTS paused after their recent good gains. The FT Government Securities Index edged up 0.03 to 68.82. Strong demand is expected this morning for the new £800m. short-dated gilt issue, against a background of declining money market rates. Back Page.

STERLING gained 11 points against the dollar to close at \$1.7388, but its trade-weighted index was unchanged at 61.7. Dollar's trade-weighted depreciation widened to 1.22 (1.20) per cent.

GOLD rose 75c to \$114.77 ahead of the IMF gold auction. WALL STREET fell 1.39 to 886.00.

U.S. ECONOMIC policies are likely to generate continuing growth in the Western world over the next 12 months, according to the OECD. It believes the U.S. has to continue to run a trade deficit to fulfil its role. Back Page. Japan to boost economy. Back Page. Editorial Comment, Page 14.

GOVERNMENT is planning new measures, possibly including tax incentives, to encourage energy saving. Page 7.

SAUDI ARABIA has given orders worth £54m. to the Elliott group of Peterborough to build six hotels and 200 houses over two years. Back Page.

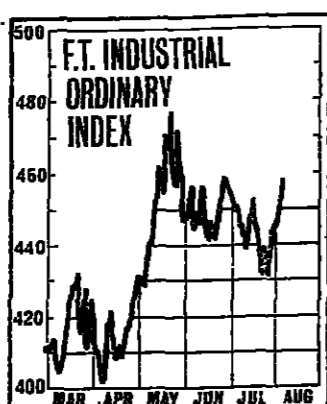
SEAMEN'S UNION has decided to bow to the TUC's insistence on maintaining 12 months between pay settlements. It wants a substantial pay rise in the New Year, but will not press for immediate improvements. Page 12.

STOCK EXCHANGE turnover improved only slightly last month—up £0.2bn. to £5.4bn. Page 24.

ACROW lifted pre-tax profit to £10.73m. (£10.53m.) in the year to March 31. Page 17.

DIXONS PHOTOGRAPHIC pre-tax profit rose to a record £5.73m. (£5.22m.) in the year to April 30. Page 16 and Lex.

CONSOLIDATED Gold Fields is acquiring Hydro Conduit Corporation for \$45m. (£25.8m.) in a further move into the U.S. building materials industry. Page 18.



Death of Makarios raises fears of new Cyprus tension

BY OUR OWN CORRESPONDENT, Nicosia, August 3

Fears are being expressed about a possible power struggle among Greek Cypriot factions and a rise in tension between Greeks and Turks following the death early to-day of President Makarios, the politician-priest who led Cyprus to independence from Britain in 1960.

President Makarios, who would have been 64 in 10 days' time, died from a heart attack—his second in four months. Preparations are under way for a state funeral on Monday, and, for the moment, Cyprus is quiet.

The leaders of the four main Greek-Cypriot political parties—two on the Right and two on the Left—met twice during the day under the chairmanship of Mr. Spyros Kyprianos, President of the House of Representatives.

Under the terms of the 1960 constitution Mr. Kyprianos has acted as Acting President, pending the election of a successor to the Archbishop.

The four party leaders were working on a formula for co-operation in the nomination of a common candidate so as to avoid election strife. Moves continued tonight behind the scenes and a final decision is expected to be taken to-morrow, when the four men meet again.

A strong possibility exists that Mr. Kyprianos, 45 a former Foreign Minister of the Republic and leader of the right of centre Democratic Party, will be chosen as President Makarios' successor, although he too has been in poor health recently and has suffered at least one heart attack.

In a radio and television speech to-night, Mr. Kyprianos declared: "In these critical moments we have a supreme duty and obligation to maintain all our costs—and even to strengthen our unity, as our great leader always declared, so that we can face the innumerable difficulties ahead."

Under the constitution, elections should be held within 45 days, though arrangements can be made for them to be postponed.

There is no doubt in the minds of political observers here that the Greek Government will play a key role in future developments in the Greek-Cypriot camp.

Greece's Ambassador in Nicosia, Mr. Michael Dountas, has already flown to Athens for consultations with the Greek Prime Minister, Mr. Karamanlis.

The new Greek-Cypriot leader, must, however, not only secure Athens' approval but also the backing of the Cypriot Left, the strongest political grouping on the island.

The Left has already indicated it does not intend to put forward a candidate of its own for the post, but it definitely would prefer a man who, like President Makarios, would be ready to co-operate.

The Turkish-Cypriots, for their part, seem to have welcomed the fact that the Church is no longer directly involved in Cypriot politics.

They have also said that they will not accept any successor

The vacuum left by Makarios Page 14

Deadlock in Lucas strike may hit car output

BY ARTHUR SMITH, MIDLANDS CORRESPONDENT

TALKS TO settle the five-week strike by toolroom workers at Lucas Industries, the motor components supplier, broke down yesterday. No further meetings are planned in a bitter dispute which will progressively bring Lucas electrical supplies to a halt and threaten widespread layoffs in the whole motor industry.

Mr. Terry Duffy, Amalgamated Union of Engineering Workers national executive member for the Midlands, described the situation as "a tragedy". Four hours of talks in Birmingham ended in deadlock.

The dispute is about bonus payments. However, any concession to the 1,200 toolroom workers might mean claims from other groups of employees.

Looming in the background are the annual wage negotiations for the 60,000 Lucas group workers.

The strike by the toolroom workers, who are responsible for the maintenance and repair of machinery, has so far hit output at 12 of the 14 Midlands factories, and caused the laying-off of 8,500 workers.

The total will climb by another 1,000 before the week-end, and it is only a question of time before all output is halted and 30,000 extra labour force rendered idle.

Toolroom workers are demanding a 5% increase in their complex bonus payments. They claim that manning levels have been reduced and output raised, but their earnings have not reflected the improved productivity this implies.

Yesterday, management offered as a longer term measure, to try to agree with the unions on a revised productivity-based scheme. On this point the toolroom workers intend to go to arbitration with both sides bound by the outcome.

A prior condition for both sides would be an immediate return to work by the toolroom men. The 83 shop stewards

rejected the formula unanimously. The men insist that this company should put a cash offer on the table.

However, the toolroom men are continuing their round-the-clock picket at the Lucas headquarters in Birmingham and do not do to meet again until next Wednesday.

The impact of the Lucas strike may take time to work through as the motor industry only returned this week after the summer holiday. Lucas said last night that it was very difficult to assess stocks in the pipeline.

In the other potential trouble spot for the motor industry, Leyland Cars senior stewards called a crucial meeting at Longbridge, Birmingham to deliver their verdict on the company's proposals for a major industrial relations reform demanded by the Government as a condition for further State finance.

News Analysis, Page 12

CBI pay plea to Callaghan

BY JOHN ELLIOTT, INDUSTRIAL EDITOR

AN URGENT call to the Prime Minister to organise a series of Ministerial speeches urging shop stewards to moderate pay claims was delivered to Downing Street last night by Mr. John Methven, CBI director-general.

Reacting to mounting concern among employers about shop floor pressures for rapid and large pay deals since Phyllis Two of the pay policy expired at the weekend, Mr. Methven telephoned the Prime Minister's Office last night.

He asked that Mr. Callaghan and his Ministerial colleagues should go out of their way during the coming weeks of the Parliamentary recess to spell out the inflationary dangers of high claims and of breaking the 12-month rule on the spacing of settlements.

The message was received at Downing Street at about the same time that Mr. Callaghan was

Frigates deal with Argentina nearer

By Roy Rogers, Shipping Correspondent

BRITISH SHIPBUILDERS' Vospers Thornycroft yard at Southampton looks set to clinch a deal with Argentina for the sale of seven Amazon class frigates, believed to be worth almost £300m.

Negotiations are well advanced, although there are fears that the proposed deal may get down into the political wrangle between Britain and Argentina over the Falkland Islands, the British dependency claimed by Argentina.

The deal, which would give more work to yards desperately short of orders, involves the provision of six of the commercially designed and very successful Type 21 frigates in kit form to be assembled in Argentinean yards with Vospers' technical assistance. A seventh frigate would be built in Britain.

Anti-aircraft missiles are included in the armaments along with torpedoes and Lynx helicopters.

The Argentinean navy is working up its new British built Type 42 guided missile destroyer, Hercules, which left Portsmouth last week after completing its armaments tests. Built at Vickers, Barrow, this is a sister ship to the "Santissima Trinidad" being rebuilt in Argentina after being extensively damaged by sabotage there.

The Argentinean deal would be the second major Latin American order with which Vospers Thornycroft is associated. It is mid-way through a similar £150m-plus package deal to supply six frigates to Brazil.

The first of these vessels has already sailed for Brazil and the second is undergoing trials. Two more are under construction and are due for delivery next year, while a further two are being constructed in Brazil's navy dockyard at Rio de Janeiro with materials, equipment and other services provided by Vospers Thornycroft.

Vospers' potential Argentinean deal—part of orders totalling £500m, now under negotiation—would take to £350m the value of orders won by British Shipbuilders since the industry was nationalised on July 1.

Last month, Argentina and Britain ended a round of talks in Rome on the Falkland Islands dispute without any apparent progress being made on Argentina's claim of sovereignty. A further meeting has been arranged for November.

£ in New York

	August 2	Previous
Spot	\$1,738.744	\$1,731.759
1 month	82.02 1/2	82.01 1/2
2 months	1.00-0.50	0.85-0.30
12 months	4.80-4.70	4.70-4.60

Slater group package put to Bank

BY KEITH LEWIS, CITY STAFF

A PROPOSAL by the Bank of England to take over Slater Walker Limited, the banking arm of Slater Walker Securities, will, if accepted, play a major part in preventing the troubled financial group from going into liquidation.

The sale of the banking arm is only one component in a complex financial package that has become necessary because of the growing likelihood that "SWS" would sooner or later exceed the borrowing limits set down in the trust deeds of its loan stocks.

In the event of that ceiling being breached, the group would face demands from loan stock holders and other creditors amounting to over £70m—a sum that could not be met.

In order to prevent that happening, the Bank of England, headed by Sir James Goldsmith, approached the Bank of England SWL and SWS has agreed to a package designed to raise sufficient funds to redeem the sum of £5.5m. freehold properties in Fetter Lane, London, and at Wokingham, Berkshire. Type 42 guided missile destroyers, Hercules, which left Portsmouth last week after completing its armaments tests. Built at Vickers, Barrow, this is a sister ship to the "Santissima Trinidad" being rebuilt in Argentina after being extensively damaged by sabotage there.

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Goldsmith plan for full control of Cavenham

BY TERRY WILKINSON, CITY STAFF

SIR JAMES GOLDSMITH, Warrant holders are to be through his French company offered two Preference shares for General Occidentale, is proposing to take full control of the firm's 25% compared with a Cavenham foods group under price before suspension of 17p. the terms of a £30m. capital. Sir James commented yesterday that the scheme's general effect would be to enable the remainder of the company's shareholders to bring their personal and private approximately similar to that of control, has arisen because of what is felt to be the unsatisfactory state of affairs following the one-third share issue of Preference shares which accompanied the public issue of 25 per cent minority shareholding.

"While the terms of the partial bid were 150p a share in cash, with the then 150p a share in the present proposals ask shareholders to swap their existing Ordinary shares for Cavenham 3.1p an Ordinary share was de-10 per cent. First cumulative cleared yesterday, payable in October preference shares in the ratio of one on Cavenham's last financial four preference shares for every year. First dividend payments three Ordinary ones held. on the New Preference shares. Taking the preference shares will be in March 1978.

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Share Information Service

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The Merry Wives of Windsor

by B. A. YOUNG



George Marcell and Elvi Hale

...all too little time been different elsewhere. Sad, then, that I should have chosen Shakespeare's *The Merry Wives of Windsor*. This is by a long way the least funny of the comedies. The St. George's has to go it sooner or later, for they believe he had to propose to work their way through the whole corpus of proved, though I Shakespeare's work; but *The Merry Wives* needs a lot of help to get by, and Alan Doble, who directs this production, has not given it much.

Can it be that he shares my own modest opinion of the play? He introduces comic business in all sorts of unexpected places as if desperate for laughs. Shallow (Joseph O'Connor) is made up in the likeness of a classic clown, with three clubs of hair round his head, and walks with two sticks that he clearly has no need of, though they give him an occasional chance to fall over. Slender (David Horovitch) is allowed all sorts of falling about which he could do without, for when he has played himself in his naturally funny way, in a restrained way, without it. He starts the evening by singing an interpolated folksong with Sir Hugh, who is responsible for the evening's best laugh, though he doesn't earn it himself—'Heaven defend me from that Welsh fairy!', the madrigal of Falstaff's humiliation at Here's Oak.

For all the prettiness and the singing, the play never seems funny, for no one really gives a funny performance. Indeed the performances are all very similar, forthright and straightforward and without personality. Some of the characters look funny, though oddly enough they are most suited for it, such as Bardolph and Pistol, are pretty square. George Marcell's traditional Falstaff has a little

Book Reviews are on Page 8

Cyranoque nose, Ronnie Stevens has a conventional spiky moustache as Caius. But humour should come from within.

The two not so merry husbands offer us most. Kevin Stoney plays Page quite straight, an honest, dignified man acting as a touchstone for the fooleries of the others. John Tordoff makes Ford a Puritan; his voice contains a whining resentment against the world as he vents his unnecessary suspicions. But he, too, keeps his playing well this side of comic.

The casting suggests a certain lack of about Falstaff's little page Robin (Steven Beard) looks every bit of 25, and young William Page is played by a girl, Elizabeth Madams. Bridget de Courcy seems pretty young as Mistress Ford—no older than Lady Capulet, whose age all Shakespeareans know—but she is quite fetching.

Jane Bond's costumes are basically Elizabethan, and so is the lighting, whose deviser is not credited; that is to say it remains virtually unchanged throughout the evening apart from a slight dimming for the scene in Windsor Park, where the fairies need a background for their sparklers.

Four Puccini operas

by MAX LOPPERT

Puccini Tosca. Montserrat Caballe, Jose Carreras, Inesbar Wixell etc. Orch. and Ch. of Royal Opera House, Covent Garden/Davis. Philips 6700 108, two records, (£7.00); cassette, 7619 024 (£7.00)

Puccini Suor Angelica. Renata Scotto, Marianna Vicana, Cotrubas etc. Ambrosian Opera Chorus, NPO/Mazel. CBS 76670 (£3.95)

Puccini Gianni Schicchi. Tito Gobbi, Placido Domingo, Ivana Cotrubas, Anna di Stasio, Gianrico Lucarelli etc. LSO/Maxwell. CBS 76593 (£3.45)

Puccini La fanciulla del West. Birgit Nilsson, Jojo Gibin, Andrea Munnell etc. Orch and Ch. of La Scala/Mataciak. EMI SLS 5079. Three records (£7.95); cassette, TC-SLS 5079 (£7.95)

The new Philips Tosca turns out to be less than the sum of its parts. Recorded in beautifully clear, full and natural sound, wide of range and fine in definition, the Covent Garden orchestra play with finesse, accuracy and sensitivity to detail. Calin Davis's response to the opera in no way reflects his earlier (and well-documented) contempt for Puccini (can we now expect a review from Boulez?). He directs the dramatic music with urgency at once controlled and expressively painful, revealing layers in the texture often blurred and generalised. This is not an artistic, under-the-microscope kind of clarity, but the result of keen, fresh rhythmic attack at all dynamic levels.

But the lyrical music finds Davis a less perspicacious Puccini interpreter. His slow tempo for both love duets, although in theory ideally tailored to such a long-breathed singer as Montserrat Caballe, and although justified by the cupious markings in the score, leave something of the impression of having been learned by rote rather than arrived at by instinct. With an Italian master like Victor de Sabata, each sentence of the duets leads naturally to the next, each repetition in different keys becoming an emotional enrichment; here, the progress is strangely contrived in effect, and slightly long-winded in outcome.

The result is that the love music and arias seem detached from the violent character of the rest. This is a pity, for it is in the lyrical music that Caballe, an essentially undramatic Tosca, comes into her own, with long, limpid phrases voiced in tones of softest texture and gentlest shading, and a womanly sweetness to win indulgence for an essentially silly character at her slightest. Under pressure, the voice turns edgy, the climaxes are hard-pressed. Jose Carreras sounds less poised and well-focused than on some recent records, readier to settle for the obvious Cavaradossi gestures undertaken in a generous, obvious way.

Most interesting portrayal, and one that lends itself well to the conducting, is the Scarpia of Inesbar Wixell. The voice is lithe, firm, and biting, carrying the unyieldingly predatory intentions through rather than on top of the vocal line, and avoiding melodramatic exaggeration that places him at the opposite extreme of a recorded rant like Fischer-Dieskau. Eventually, as when Wixell has played the part at Covent Garden, this Scarpia comes to seem more lovingly done, wanting in those touches of courteous suavity that round out the portrait of a thug. For all its attractions, this is not, then, Tosca to displace the obstinately unsurpassable combination of Callas, Gobbi and De Sabata. The cover, a head-on collision of prima donna, hoodlum Castel Sant'Angelo, and

luridly coloured lettering, is one of Puccini's unhappiest. The remaining Puccini operas in the present batch are from the later period, when the composer was striking along new musical and dramatic paths in an attempt to move on from "Bohème, Butterfly and Company" in his own phrase. By the side of the blatantly and still indomitably successful *Suor Angelica* and *Fanciulla del West* are clearly revealed; and yet while Tosca becomes ever harder to admire, the later Puccini wins new sympathy.

Lorin Mazel's issue of the *Tristano* is two-thirds complete. In *Suor Angelica*, he seems a far more unidiomatic Puccini conductor than Colin Davis. Though on its own terms the performance is powerfully laid out, the style is inconsistent, veering between slow and fast (in some instances, from one bar to the next) in a *rallentando* style dictated less by vocal and verbal considerations than by an applied expressivity. In the theatre, it might make dramatic sense; on record, the effect is fatally unwinning.

Nonetheless, Mazel has inspired an excellent cast to give, in almost every case, of its best. There are good English singers in small parts; the luxury of Illeana Cotrubas as Sister Genevieve; and Renata Scotto's Angelica, perhaps not the most completely beautiful on record—for Los Angeles, Tebaldi, and Katia Ricciarelli have all successfully preceded her—but certainly the most subtly, sustainedly and sensitively eloquent. Unfortunately, as Marilyn Horne's Princess resorts to booming bottom notes, their confrontation episode is not the centrally charged episode it might have been. In Gianni Schicchi, Mazel's technical address becomes a much more pertinent requirement. Ensembles are precisely co-ordinated and energetically sprung, with an LSO alive to the infectious wit, alliteration, parody or irony of the orchestration. Except for the Rinuccio of Domingo (a trifle star-tenor in tone) and Lauretta of Cotrubas (caught in disappointingly shaky voice), the cast is Italian, expertly comic, and led by the superb Schicchi of Tito Gobbi. Time, having taken away vocal ease at the top, restores balance with an apparently limitless resource of tough comic inventiveness and virtuosity of inflection—the reply "Sta bene!" to each successive attempt at bribery is each time differently turned.



Lorin Mazel

In the wake of the recent Royal Opera production, and of revived enthusiasm for Puccini's Wild West opera, EMI has candidly reissued the 1959 La Scala set, conducted by Lorin Mazel. It is welcome—an atmospherically produced, dramatically deft reading which has helped to entrench an uneven but at its best lovably colourful and large-spirited work in my affections. In two respects it can be faulted: in Act 1, by whose little discursive incidents the atmosphere is built up, the excision of Sid the cheat and of the letter-reading scene is irritating and unnecessary; and the Johnson, Jojo Gibin, fails to rise to the opportunities, admittedly few, of his part, singing with generalised tenor ring and forcefulness.

The great attraction is the Minnie of Birgit Nilsson, who manages to restrain the heroism of the part—and how refreshing among Puccini heroines Minnie is, with her unclassical athleticism and energy—in brilliant, fearless voice, landing on each vertiginous B flat, B and C as if it were the easiest feat in the world, and bringing to the fore the opportunities, admittedly few, of his part, singing with generalised tenor ring and forcefulness. The great attraction is the Minnie of Birgit Nilsson, who manages to restrain the heroism of the part—and how refreshing among Puccini heroines Minnie is, with her unclassical athleticism and energy—in brilliant, fearless voice, landing on each vertiginous B flat, B and C as if it were the easiest feat in the world, and bringing to the fore the opportunities, admittedly few, of his part, singing with generalised tenor ring and forcefulness. Even in early stereo of comparatively restricted compass, the choral intonation of first and last acts, with solo voices (and the borrowed "Old Dog Tray" wailing in and out in mastery fashion, demonstrate the opera's genuinely broadened range.

in Rome

Ballet and Painting

by WILLIAM WEAVER

...duction of the Opera dell'Opera Gioacchino Lanza Tomasi, who has some political enemies inside and outside the theatre. In any case, the gifted soprano Martha Hanneman maintained her aplomb and sang her music (Beckett's words become a kind of intermittent vocal element) coolly, purely. Marcello Pannof, who conducted the whole evening ably, maintained control of the orchestra, though some members, perhaps from pardonable nervousness, occasionally played louder than Feldman's markings.

In 1968, Alexander Calder (sculptor, not painter) devised an engaging, dance-less ballet called *Work in Progress* to music by Nicolo Castiglioni. Aldo Clementi, and Bruno Maderna, Hecuba, played by Kayoko Shirahishi. You don't have to know any Japanese in the production, but here, you are in the presence of a truly great actress. It was Suzuki's cogent inspiration to have her play, besides Hecuba, also Cassandra, Hecuba's daughter. With a minimum of outward change (merely removing one wig, or revealing another, white one), Miss Shirahishi, from an aged woman, becomes a girl. In real life, I would say the actress must be about 30. Her face can go blank with suffering, or become contorted with compassion. Her movements can be slow, almost heavy, when she is Hecuba, or delicate, dancer-like, when she is Hecuba's daughter.

The Proms draw a larger audience for British music than South Bank can safely count upon. Tuesday's good house was helped no doubt by the inclusion of Beethoven's Seventh and by the presence for half the programme of Sir Adrian Boult. The Beethoven was assigned to the joint-conductor, James Loughran, while Sir Adrian took charge of the home produce: *Music for Strings of Bliss* and the Organ Concerto of Bliss's successor, the Master of the Queen's Music—Malcolm Williamson.

The general shape of his own Organ Concerto (a BBC commission of the piece, dedicated to Boult and based on his initials, ACB) is similar—an energetic first movement, a slow one with much use of divided strings, a finale mainly in dance rhythm. The sonorities of course are totally different, since Williamson's orchestra is a full one, and he uses the Albert Hall organ without inhibition—presumably, since Early Music has been claimed by someone to extend as far as Elgar, such instruments will now come under specialist care, and quite right too.

At the end, in a low, only slightly inflected voice she repeats Euripides's description of Troy's destruction, as his assembles her few humble possessions—a tea pot, tin, some bowls—and this code-scene is almost intolerably moving. She is not alone in her excellence. The members of the chorus—seven men and women—move with the precision of good dancers and with the individual humanity of good actors. Even Kenjiro Shin, whose assignment is to play the unmoving statue of a Buddhist god, manages to make simply standing motionless a vital contribution.

The composer played the solo part himself, with appropriate panache. Liaison with conductor and orchestra appeared to be secure. One can imagine a bit more bite and dash in the "super-jazz" finale, but there aren't many conductors in their late 80s who would beat their way through such a movement so alertly. After the interval the BBC Symphony Orchestra and Mr. Loughran gave a fresh, alert, unpretentious reading of Beethoven's Seventh. That may not sound much but it was more than the limp and stodgy playing this Symphony can receive from a tired band on a warm evening.

Williamson has stated his admiration for *Music for Strings*.

Royal Ballet opens 1977-78 season on October 14

The Royal Ballet opens its 1977-78 season at the Royal Opera House on October 14 with a new production of *The Sleeping Beauty*. This new production will be under the supervision of Ninette de Munnich, artistic director, and will feature the choreography of Nikolai Sergeyev's 1889 staging from Stepanov notation. The new production, to Chaikovsky's score with choreography by Marius Petipa, will have additional choreography by Frederick Ashton who will be designed by David Walker. The production has been made possible by substantial donations from the Linbury Trust and the Friends of Covent Garden. At the first performance Princess Aurora will be danced by Lesley Collier, Prince Florimund by Anthony Dowell, and Carabosse by Lynn Seymour. The performance on October 19 will be a special gala performance for the Friends of Covent Garden in the presence of Princess Margaret. Merle Park will dance Princess Aurora and Wayne Eagling will make his debut as Prince Florimund. At subsequent performances the leading roles will be danced by Ann Jenner, Jennifer Penney and Natalia Makarova as Princess Aurora; and Stephen Jeffrey, David Wall and Rudolf Nureyev as Prince Florimund. Lynn Seymour dances all performances of Carabosse during this period. The remainder of the repertoire includes *Swan Lake* and two triple-bills: *Voluntaries*, *The Invitation and The Concert*, and *Enigma Variations*, *Symphonic Variations* and *Les Noces*. Sir Adrian Boult will conduct all performances of *Enigma Variations*.

Finally, the evening ended with what was misleadingly called the Italian premiere of Erik Satie's *Mercure*. Apparently it was impossible to reconstruct these "poses plastiques" created for Count Etienne de Beaumont in 1924, so the producer Giorgio Marin and the writer Fleur Jaeggy (names familiar to the Italian "off" theatre) invented a long and pretentious pastiche. Actors spoke a mysterious (and sometimes inaudible) text, in settings that showed the ill-absorbed influence of Robert Wilson. At the end, the code-scene is almost intolerably moving. She is not alone in her excellence. The members of the chorus—seven men and women—move with the precision of good dancers and with the individual humanity of good actors. Even Kenjiro Shin, whose assignment is to play the unmoving statue of a Buddhist god, manages to make simply standing motionless a vital contribution.

Suzuki's great achievement is to blend elements—movements, gestures, intonations—of traditional Japanese theatre, Noh and Kabuki, with modern and Western elements. He does this with complete coherence, and thrillingly.

There has been a lively time in Rome recently. At the Teatro Tenda (a huge circus tent, set members soon there were of self-Milvian bridge, there is a had provincial review of popular theatre. Vittorio Gassman inaugurated it with a week-long marathon of Shu, followed by the Waseda Shu-gekijo (Little Theatre of Waseda), from Tokyo. This company, now in its eleventh year, has been seen at

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Imperial Tobacco extend Bristol Celebrity Series

Imperial Tobacco have announced that next season's Celebrity Series in Bristol will be wider in scope than before. It will include the presentation of classical opera and ballet at the Bristol Hippodrome as well as celebrity engagements and the Imperial Tobacco Cello Festival at the Colston Hall.

As in 1975, Paul Tortelier will be in Bristol for the six days of the Imperial Tobacco Cello Festival from October 14 to 19. At the gala concert on October 19, he will play Dvorak's Cello Concerto.

The Imperial Tobacco Celebrity Series will be presenting major seasons at the Hippodrome for the first time: Welsh National Opera weeks from November 1 to 5 and April 11 to 15 and the London Festival Ballet from December 12 to 17.

The Welsh National will be presenting nine operas over the two weeks and the London Festival Ballet two works, *The Nutcracker* and Nureyev's production of *Romeo and Juliet*.

Celebrity artists who will appear at the Colston Hall are: James Galway, December 9;

Proms Jubilee commission

The last of three Jubilee commissions for this year's Proms, John Buller's *Proenza*, on 12/13 century troubadour texts, will have its premiere at the concert on Saturday, August 6, at the Royal Albert Hall.

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EUROPEAN NEWS

DECLINE IN MOSCOW-WASHINGTON RELATIONS

Soviet Union lays blame on U.S.

BY DAVID SATTER

THE SOVIET Union's leading expert on the U.S. today laid the blame for the deterioration in U.S.-Soviet relations exclusively on America but reiterated the Soviet Union's willingness to work to improve relations.

Academician Georgy Arbatov, director of the U.S.A. Institute, reviewed the state of bilateral relations in a lengthy article in the Communist Party newspaper Pravda that was clearly intended as an authoritative Soviet summation before the summer lull.

Mr. Arbatov blamed the U.S. for poisoning the political atmosphere with a propagandist campaign in defence of human rights, stalling the strategic arms limitation talks (SALT) with inequitable and unrealistic disarmament proposals, and closing trade possibilities through the establishment of artificial obstacles to economic co-operation.

On the subject of human rights, Mr. Arbatov drew a distinction between President Carter's human rights campaign, to which the Soviet Union has

Dubliners catch the Arab horse fever

By Giles Merritt

DUBLIN, August 3. DUBLIN always goes a bit mad at Horse Show time. This year, its has delightedly succumbed to Arab Fever: Prince Feisal of Saudi Arabia is over with an entourage, HRH Lalla Amina, sister of King Hassan of Morocco, is visiting with her husband, a buying delegation from Libya is in town, and the Iranians are scouting around for the basis of a national show-jumping team.

Ireland's horse-breeders are eagerly looking out, not only for white robes but also for a Belfast-based dealer who has reportedly come to spend at least £2m. for Arab and European clients.

Dollar fall on OPEC agenda

By Richard Johns

THE U.S. DOLLAR'S decline and its effect on the purchasing power of oil revenues is likely to be discussed by finance ministers of the Organisation of Petroleum Exporting Countries when they meet in Vienna tomorrow, but no decision will be taken about the implications for prices.

Continued weakness in the value of the currency in which oil prices are quoted would be taken into consideration when the 1978 prices are reviewed at the next Oil Ministers' conference in Caracas in December, according to OPEC sources in Vienna yesterday. A major depreciation could even lead to serious consideration about switching to Special Drawing Rights as the unit of account.

At present, however, the general consensus is that the dollar remains the best reference. Oil Ministers at their conference in Stockholm last month showed no concern about its depreciation.

Bonn hopes for \$10bn. IMF fund

BY JONATHAN CARR

WEST GERMANY is hopeful that this week-end's Finance Minister talks in Paris may bring accord on a supplementary lending facility for the International Monetary Fund of around \$10bn-\$15bn.

While this figure is substantially lower than the sum first hoped for by Dr. Johannes Witteveen, the IMF managing director, his achievement would be regarded in Bonn as satisfactory, fairly reflecting the needs of the probable recipients and the possibilities of the contributors.

However, Finance Ministry officials note that contributions to the fund, which is intended to help countries with serious balance of payments difficulties, are supposed to come in roughly equal measure from industrialised nations and from oil producing states.

When the time comes, but which is seen here as by no means a foregone conclusion. For its part, West Germany is prepared to put up about 10 per cent of the fund, which would come from the United States, with the remaining contribution of the industrialised states coming from Japan, Switzerland, Canada and Benelux.

Britain, France and Italy—as possible beneficiaries of the fund—will not be taking part in the Paris talks. But the West Ger-

mans—eager to avoid the impression that the details are being settled by a "rich man's club"—note that all three have taken part in discussions on the issue at the European Community summit in London.

The West Germans are adamant that credit from the fund must only be provided on the strictest IMF terms: that is, that the recipient country gives adequate guarantees regarding its future economic course. Only on these conditions was Bonn prepared to participate.

Portugal 'shows recovery'

BY OUR OWN CORRESPONDENT LISBON, August 3

PORTUGAL'S PLANNING Minister, Sr. Antonio Sousa Gomes, said today there were encouraging signs of economic recovery in Portugal, although the balance of payments deficit had not shown the hoped for post-devaluation improvement.

Sr. Gomes said the national product for the first six months of this year had increased at an annual rate of 7.5 per cent, against about 5 per cent last year. These figures refuted those

who maintained the economy was in a catastrophic condition. Although the balance of payments had not improved as much as expected following February's 15 per cent devaluation, it was \$100m. less in the first six months of this year than in the corresponding period last year.

Barriers from tourism and emigration remainances also rose markedly during the same period. These two sources of foreign currency are traditionally important to the economy.

Spanish strike cuts food lines

By Diana Smith

MADRID, August 3. A ROAD HAULIERS' strike which has spread to 10 of Spain's 52 provinces is affecting food supplies and prices in Madrid and other major cities. So far the Ministers of Labour and of Transport, Senores Jimenez de Parga and Jose Linde have failed to persuade representatives of the road hauliers to end the stoppage.

Road hauliers are demanding a 30 per cent increase in haulage rates and simplification of the complex road tax system.

THE THALIDOMIDE RULING AND BRITAIN

Freedom to silence the Press

BY A. H. HERMANN, LEGAL CORRESPONDENT

BY THE simple device of publishing the contested Sunday Times thalidomide article as an appendix to its edition, the European Commission on Human Rights has forced the hand of the English justice and scored one of its rare victories.

Publication of the controversial article, in which Mr. Philip Knightley disclosed the development and testing of thalidomide by the Distillers Company, was opposed on two grounds. The first was that it would be contempt of court; but this obstacle disappeared last year when the Attorney General withdrew its objection after most of the families who suffer by the effects of the drug accepted compensation.

From then on, the Distillers could rely only on a High Court order prohibiting the Sunday Times from publishing the article, because it quotes confidential memoranda and its publication would be a breach of confidence.

contempt of court and defamation. Britain still remains a safe place for those who have reason to fear publicity. The Press can be silenced as a rule by the mere announcement that a matter in which a reporter is interested will be brought to court.

means entering waters which cannot be charted because the sandbanks keep shifting. In this particular case the Distillers obtained from the Divisional Court an injunction against the Sunday Times on the ground that by supplying the information to the public the article tried to bring public opinion to bear on the Distillers' attitude.

The Committee made also a number of other recommendations which, if implemented, would somewhat ease the very severe restrictions imposed on the British Press by the law of contempt. As the European Commission on Human Rights has now concluded, these restrictions are incompatible with the freedom of expression guaranteed by the European Conven-

tion on Human Rights, to which the U.K., together with the other Western European countries, subscribes. It will now be for the European Court of Human Rights to say whether this conclusion is correct. If it says it is, the U.K. will be asked to agree in the Committee of Ministers to remedy this—perhaps by implementing the Phillimore recommendations.

The British case concerned the complaint of Mr. Richard Handyside, the publisher of The Little Red Schoolbook. Though rejecting the complaints of discrimination and other injustices, the Commission did refer to the Court on Human Rights Mr. Handyside's complaint that the books seizure violated his freedom of expression, though the Court did not find in his favour.

The two Dutch cases, do not really concern Press freedom but copyright, being directed against the claim of the Dutch Broadcasting Corporation that it has copyright in the announcements of its programmes.

Andretti calls in parties

BY PAUL BETTS

ROME, August 3. THE GROWING influence of the Italian Communist Party in the country's governing process was highlighted last night following a surprise meeting between Prime Minister Giulio Andreotti and leaders of the six main political parties.

It was the first time since the Communist Party secretary, Sig. Enrico Berlinguer, has taken part in a formal exchange of opinions with an Italian Premier.

Sig. Andreotti called the sudden meeting on the eve of his last Cabinet meeting before the summer break to brief party leaders, on plans to put the recently signed six-party agreement on a common Government programme into practice. He also discussed his recent visit to Washington.

Similar meetings are expected to be held at intermittent intervals, although Sig. Andreotti's party, the ruling Christian Democrats, are split over this increasing collaboration between the Government and the Communists.

OVERSEAS NEWS

THE ASEAN SUMMIT

Indonesian call to arms embarrasses partners

BY DAVID HOJSEGO, ASIA CORRESPONDENT

KUALA LUMPUR, Aug

INDONESIA has sprung a surprise on the eve of the Heads of Government Conference of the Association of South-East Asian Nations (ASEAN) by calling on member states to sign a military pact and contribute to a joint military force.

The proposal was made at a preparatory gathering of foreign ministers for the two-day summit which starts tomorrow. Thailand — commemorates the tenth anniversary of ASEAN and the main purposes is to invigorate the gathering of Heads of Government in the region since the end of the Vietnam war.

It marks an attempt at closer collaboration which has been spurred by what is seen as a vacuum created by the American withdrawal from the common interest of member States in setting higher commodity prices, and their common anxiety at the fall of the Vietnam war.

Through it has long been known that the ASEAN States exchange military intelligence and assist each other in bilateral actions, the organisation has been at pains to counter Vietnam charges that it is a variant on the now defunct South East Asian Treaty Organisation (SEATO) and thus a military alliance in disguise. Such an argument will now be harder to maintain.

No immediate threat seems to justify the Indonesian move, though Jakarta may fear the warm reception given recently by Chairman Hua Kuo-feng in Peking to Jusuf Adji, top leader, has revived the danger of a renewal of the Communist insurgency.

Under the Indonesian proposal, a State in danger would be able to call on its partners for help. Such an unusual gathering of States of the Western Pacific is in itself an attempt to dramatise the potential of the ASEAN defence departments.

The two-day meeting—attended by President Marcos of the Philippines, President Suharto of Indonesia, Mr. Lee Kuan Yew, Prime Minister of Singapore, Datuk Hussein Onn, Prime Minister of Malaysia and Mr. Thakin Kraivichien, Prime Minister of

Thailand — commemorates the tenth anniversary of ASEAN and the main purposes is to invigorate the gathering of Heads of Government in the region since the end of the Vietnam war.

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It marks an attempt at closer collaboration which has been spurred by what is seen as a vacuum created by the American withdrawal from the common interest of member States in setting higher commodity prices, and their common anxiety at the fall of the Vietnam war.

Through it has long been known that the ASEAN States exchange military intelligence and assist each other in bilateral actions, the organisation has been at pains to counter Vietnam charges that it is a variant on the now defunct South East Asian Treaty Organisation (SEATO) and thus a military alliance in disguise. Such an argument will now be harder to maintain.

No immediate threat seems to justify the Indonesian move, though Jakarta may fear the warm reception given recently by Chairman Hua Kuo-feng in Peking to Jusuf Adji, top leader, has revived the danger of a renewal of the Communist insurgency.

Under the Indonesian proposal, a State in danger would be able to call on its partners for help. Such an unusual gathering of States of the Western Pacific is in itself an attempt to dramatise the potential of the ASEAN defence departments.

The two-day meeting—attended by President Marcos of the Philippines, President Suharto of Indonesia, Mr. Lee Kuan Yew, Prime Minister of Singapore, Datuk Hussein Onn, Prime Minister of Malaysia and Mr. Thakin Kraivichien, Prime Minister of

Australia devalues by 1.5

BY KENNETH RANDALL

CANBERRA, Aug

AUSTRALIAN financial authorities are waiting anxiously for international market reaction to today's 1.5 per cent devaluation of the Australian dollar, a move intended to reassure that there will not be another major devaluation in response to recent pressures.

But it is feared that it could have the opposite effect, focusing attention on Australian currency difficulties. The Government has not commented on the devaluation, but the Shadow Minister for Economic Affairs, Mr. Bill Hayden, a former Treasurer, said it would be meaningless, given the rapid weakening of the dollar without supplementary measures.

To-day's adjustment brings the \$A1 to \$US1.1053—the first variation since February when a series of revaluations pared the 17.5 per cent devaluation of November 28 last year to about 12 per cent.

It followed renewed reports that the Government was considering revaluing the Australian gold stock in line with market rates — as France, Italy and

Mexico have already done. The move would add about \$A700m. to Australia's dwindling international reserves, and is strongly supported by Mr. Hay-Don on behalf of the Opposition. He has called on the Government to speed up the IMF drawing rights and substantial overseas borrowings to defend the dollar.

Speculation against the Australian dollar has led to capital flight from \$A226m. in June and \$A266m. in July. Reserves have slid from \$A2,690m. on June 29 and \$A2,225m. on July 27.

Businessmen took today's decision calmly and there was no obvious reaction on the stock exchanges. But many cannot understand why the change was delayed until now.

One of the central points of the new system PLO leadership, Mr. PLO, was to provide for more frequent small changes—smaller, it was generally expected, than today's. The steady recent appreciation of the Australian dollar against the U.S. dollar has been a source of concern.

This matters more in political terms than international money. Under the Government's policy, the Government refused to discuss the strength of the dollar, but the 1977-78 budget less than night away, it can no longer afford to ignore the indications of Government policy. The Government's decision to ease growing unemployment is a strong for electoral success could further erode confidence in the currency.

At the same time, the national markets will be affected. The budget deficit is likely to be a source of concern. The Government's decision to ease growing unemployment is a strong for electoral success could further erode confidence in the currency.

Sadat proposal opens way to avoiding obstacle to Geneva

BY MICHAEL TINGAY

CAIRO, Aug

PRESIDENT ANWAR SADAT'S particularly Syria, may feel that the proposal is not only in the PLO's interest but also in the Arab reaction itself. While it is too soon to gauge the Arab reaction fully, Mr. Sadat can be expected to be congratulating himself in getting the U.S. to become the central broker in substantive peace talks. It will have the additional effect of pushing the Soviet Union — a co-chairman of the Geneva talks — into a secondary role. Mr. Vance said there would be no Soviet presence in the working groups at the outset, though he

later added that he would be on the matter with Mr. Gromyko, the Soviet Minister. It is a measure of Mr. Sadat's deeper than ever into the East that he said with his confidence last night in the U.S. to become the central broker in substantive peace talks. It will have the additional effect of pushing the Soviet Union — a co-chairman of the Geneva talks — into a secondary role. Mr. Vance said there would be no Soviet presence in the working groups at the outset, though he

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Hussein-PLO tensions

BY RAMI G. KHOURI

AMMAN, Aug

THE CRUCIAL political relationship between Jordan and the Palestine Liberation Organisation has been further complicated this week by King Hussein's most explicit challenge to date to the PLO leadership, and by reports from Beirut of a new strategic political accord between Syria and the PLO.

When Mr. Vance arrives here on Friday for two days of talks, he will step into the heart of inter-Arab political disputes—the question of Palestine's representation at the Geneva peace conference. King Hussein told Newsweek last week that the idea of a

Syrian, Jordanian, and PLO confederation was rejected, and explicitly rejected the PLO's role as representative of the Palestine Liberation Organisation. This new bold attitude of Hussein runs directly counter to the reported PLO accord under which he would have to take part in an independent party in the talks as the representative of the Palestinians, and the PLO's role as representative of the West Bank could be followed by formal talks with the PLO. The Jordanian-Palestinian-Syrian confederation was rejected, and explicitly rejected the PLO's role as representative of the Palestine Liberation Organisation. This new bold attitude of Hussein runs directly counter to the reported PLO accord under which he would have to take part in an independent party in the talks as the representative of the Palestinians, and the PLO's role as representative of the West Bank could be followed by formal talks with the PLO. 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Indonesian call... barrages... Australian... Sadat proposed... avoiding...

Ethiopia 'facing new guerilla offensive'

NAIROBI, Aug. 3. Dire Dawa and the other major strongholds in the area, Harar and Jijiga, have been reinforced with thousands of regular troops and militia armed with newly arrived Soviet weapons. In the last few weeks.

The guerillas nevertheless said all three towns were in a virtual state of siege.

The Somali charge d'affaires, in Dar es Salaam, Mrs. Dababo Omar Mohammed, said it would attend the meeting on Friday of a special OAU eight-nation border commission established to try to settle Ethiopian-Somali disputes.

In Dar es Salaam the Somali charge d'affaires said Somalia welcomed the meeting of the Commission.

Radio Mogadishu reported: "The Western Somali Liberation Front is making a concerted attack on Dire Dawa... after confirming 85 per cent of their 627,000 square kilometer Ogaden land is now in their hands."

Dire Dawa is the third largest city in Ethiopia sitting at the centre of the new East-West defensive line which government troops established to try to halt the reported rebel advance.

AMERICAN NEWS



Paraguay's smugglers hold down price rises

By Robert Lindley in Buenos Aires

PARAGUAY has for many years demonstrated that smuggling can positively benefit a country. Still the landlocked republic's principal economic activity, it has kept prices down so successfully that the Paraguayan Guarani has been fixed at the Central Bank rate of 125 guaranis for the official 4 per cent.

The "fluctuating bank rate" is actually between 130 and 140 to the dollar, and inflation in Paraguay last year was probably over 2 per cent.

The value of the dollar, however, is not selectively based on the consumption patterns of an Asunción worker's family. But President Alfredo Stroessner is surely justified in selling the guarani at the official rate.

The value of contraband traffic in Paraguay is estimated at anywhere between 50 and 150 per cent of that of legal trade.

Scotch whisky from the U.K., for example, is sold at \$12.50, in 1973, cigarettes and watches are imported legally into Paraguay. But 98 per cent of these luxury items are then smuggled to neighbouring Brazil and Argentina.

Fully three-quarters of the products imported into Paraguay are smuggled into the country.

Vital as this so-called "unrecorded economy" is to Paraguay, aspects of it harm the normal economic activities. Brazil smuggles vast quantities of building materials, and Argentina foodstuffs and drugs, into Paraguay, whose producers of these commodities protest in vain.

The smuggling of logs - which cannot be legally exported as such into Brazil, also harms Paraguay's important timber processing industry, and in particular the Pinap mill near Asunción, which is one of the largest integrated plants in Latin America.

Brazilian land on the Paraguayan side of the border, making easier this contraband trade. On the Brazilian side, according to Pinap's president, Sr. Luis Pineda, a 36-year-old mathematician educated at the University of Pavia, there are 300 sawmills, although there is no timber grown in the area, only soyabean and wheat.

Pinap - which has an investment of \$40m, 70 per cent of it put up by Paraguayan families and the rest by the World Bank and foreign wood industries including Phoenix Timber of Ralston, who have a major integrated plant in Brazil - has found a good market for its production in northern Europe and the U.K. Britain needs timbers for furniture to replace that which it used to get from its African colonies and Paraguay has it in quantity: cedar, tacuambu (similar to hard maple), and lanacho (similar to afromosia). Pinap is exporting between 400 and 500 cubic metres of sawn timber a month.

Five years ago, sawn timber appeared on the way to becoming one of Paraguay's main exports; sawmills began to be built by the score, and some cutting facilities were also developed. But two years ago, timber-hungry Argentina stopped importing lumber, to protect its balance of payments, but with its exports restricted by quotas and are less than expected. Sr. Pineda accuses the Argentinians of inserting "hidden obstacles" so that the quotas cannot be met.

Be that as it may, there are far too many sawmills in Paraguay today; none are working at full capacity, and many have shut down.

Argentina's balance of payments problems almost certainly pose only a short-term difficulty for the Paraguayan timber industry. A long-term problem, potentially much more serious unless tackled soon, is the indiscriminate cutting of trees and the complete lack of a Government reforestation programme.

The Government appears to be becoming aware of this problem, and Sr. Deñin Ugarte Centurion, the Minister of Industry and Commerce, told me that the Government is considering giving credits for re-forestation.

So, exports of Paraguay's superb, sports-orientated and the occasional successes such as Pinap in Europe - have not lived up to the expectations of five years ago. Although many Paraguayans are living at subsistence level, or a little above it, none of them are starving, and beef continues to be the country's major export. Of the \$18.3m in goods which Paraguay exported to Britain in 1976 - down by about \$6m, last year - \$15.2m of them were made up of meat products. Almost all of Britain's exports to Paraguay, totalling more than \$13.5m, last year, are made up of whisky. Paraguay's recorded exports may reach \$200m, this year, up by about \$25m, from 1976.

Study urges Alaska gas line delay

NEW YORK, August 3.

A CANADIAN Government commissioned study into the environmental impact of a pipeline to bring natural gas from Arctic Alaska to the U.S. and Canada has recommended a two-year delay, until 1981, before construction can begin.

The report gave as its main reason for suggesting the delay the need to settle native land claims in the Yukon territory through which the pipeline would pass. It added that the settlement of the native claims is much more important to the future of the Yukon than any pipeline.

The report was prepared by a group headed by Mr. Kenneth Lysak, Dean of the law faculty at the British Columbia Law School.

The pipeline, as proposed, would be more than 700 miles long and would bring natural gas from the Prudhoe Bay oil field to Alaska's North Slope to Canada and the U.S. The proposed route would follow the recently commissioned oil pipeline to Fairbanks, Alaska, before cutting east through the Yukon via Dawson City and Whitehorse, and then south to join existing pipelines in Alberta and the U.S.

A spur to the pipeline, which is also being considered, would link it to the Mackenzie Delta in Canada's Northwest Territories to tap gas reserves believed to be commercially exploitable in that Arctic region.

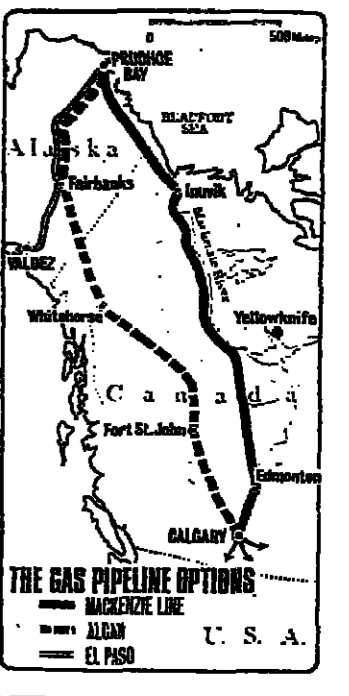
Originally, three alternative routes for pipelines to bring these reserves to market were being considered. But last week Canadian Arctic Gas Pipelines, one of the consortia, dropped out and its members announced their support for the Yukon route. Known as the Alaska Highway or Alcan route, it was originally sponsored by Alberta Gas Trunk Line, Westcoast Transmission and Foothills Pipelines (Yukon), in Canada, and by Alcan Pipeline, a subsidiary of Northwest Pipeline Corporation in the U.S.

The main rival to the project has been a proposal by El Paso Natural Gas to run a gas pipeline directly through Alaska following the existing oil pipeline route.

In recent months support has been gathering for the Alaskan Highway route rather than the El Paso proposal after studies by various Government departments in Canada and the U.S.

It is not clear what impact the proposed delay for the Alaska Highway proposal will have on its prospects. Initial reactions have suggested that the Canadian Government will accept the proposal to delay the construction it would strengthen the case for bringing the gas to market through an all-Alaskan line. Capital cost estimates have suggested that the all-Alaskan line could be built for about \$8.6bn compared with \$8.6bn for the Alaskan Highway route.

But the El Paso proposal would involve operating costs and energy losses related to the liquefaction of the gas and shipment in gas tankers from southern Alaska to U.S. markets.



Diplomats attempt to stem tide of military defeat

LONDON

In a sense this is not such an astonishing claim as it first appears. The area, from the Ogaden in the most easterly tip of Ethiopia through the provinces of Bale and Sidamo, probably contains less than 1.5m people. After good rains, parts of it provide reasonable grazing for a population of not more than a few thousand people each, and in the dry season concentrate around the water holes. The biggest of these are the "towns" such as Dechenabur, Werder and Kibri Dehar, perhaps having a population of not more than a few thousand people each, and now said to be in guerilla hands.

If these outposts were not heavily defended, or their defenders' morale was low, their railway and is an important air force base.

The guerillas who put the vital railway out of action in May, now say they are attacking Dire Dawa and have already said they are besieging Harar, while fighting is also claimed to have taken place near Jijiga. If those claims are true, this poses a very serious threat to the Ethiopian Government and one which must be dealt with by diplomacy.

For Somalia has chosen a good moment at which to step up its insurgency but it may only have long established support in the region, from which many leading Somalis originate (including President Siad Barre himself).

Ethiopia is heavily committed in a struggle which appears to be against the interests of the northern province of Eritrea. Its armed forces have been weakened by purges, political changes and uncertain morale, and its American equipment is running down since the U.S. cut off supplies last autumn. Soviet equipment is reportedly arriving, but there will inevitably be a time lag before troops can be retrained to operate it. Logistical problems, doubtless accentuated by the interrupted supply lines to the east, appear to have prevented the full deployment of the newly trained 60,000 strong militia which could serve as a useful auxiliary to the hard-pressed army.

Ethiopia almost certainly regards its attempt to retain Eritrea - which comprises its entire Red Sea coastline, as its priority and appears to accept that it cannot fight successfully on two fronts at once. Indeed although it has claimed successes against Somali forces there, the latter have in the meantime committed one regular brigade to fighting them.

It may calculate that if it can stall the fighting in the east by appealing to international bodies an outside power it has a chance of defeating the insurgents in Eritrea. With the rainy season there reducing the number of supply lines open to the guerillas, the Ethiopians have some chance of success. But there are ominous suggestions that the three guerilla groups there may be close to healing their long-running disunity. In that case Soviet help to Ethiopia might begin early this year may have come too late to keep the country intact since it is the Soviet influence in Somalia it may be able to arrange a settlement between the two countries which will allow it to keep its strategic position in the Horn of Africa.

Australia

capture by a well-armed, highly trained and mobile force of a guerilla group, should not have proved too difficult. Less easy to accept, without proof, but by no means totally implausible, is the claim that the guerillas took the Ethiopian forward air force base of Gode in the south of the region; however, it is hard to believe the claim that the guerillas have destroyed large numbers of Ethiopian tanks, shot down several Ethiopian aircraft, and killed no fewer than 7,750 Ethiopian troops.

If the guerilla claims are correct, there is nothing between them and the three major towns at the northern end of the region, whose capture is essential if they are to hold their other gains. Both the Jijiga and Harar lie on the edge of mountains overlooking the plain where the pro-Somali forces have been advancing, which began early this year may have come too late to keep the country intact since it is the Soviet influence in Somalia it may be able to arrange a settlement between the two countries which will allow it to keep its strategic position in the Horn of Africa.

Youth shot dead during fresh Soweto violence

JOHANNESBURG, Aug. 3.

The student action, seeking the abolition of Bantu education continues to spread despite warnings by both police and Mr. Jimmy Kruger, the Minister of Police and Justice, of a hardline response.

Although more children were reported back at school early this morning in Ateridgeville and Sausville, outside Pretoria, where a boycott has been going on for ten days, most of them quickly left again.

The Director of Bantu Education for the area has threatened to close down the schools and "expel all the children if they do not return by Friday."

The boycott is now reported to have spread to Pretoria's other townships, Ga-Rankuwa and Mabopane. Trouble was also reported to-day at Tlaku High School, near Springs, and in the shanty town of Winterfeld, east of Pretoria.

S. Africa orders pick up

JOHANNESBURG, August 3.

FOR THE first time in 15 months, the flow of orders from South Africa's metal and engineering industries improved during June. But, according to a business conditions report released to-day by the Steel and Engineering Industries Federation (SEIFSA), business conditions remain weak in all sectors.

The worst-hit sectors are those supplying the motor industry and domestic appliance outlets. Orders from the building industry are weak but the downward trend has levelled out. On the other hand, steel, iron and non-ferrous industries reported a marginal improvement in business activity in June, but output and demand remain low.

Electric cable manufacturers also reported a slight improvement, while the tubes and pipes sector is the only one where conditions remain buoyant, probably as a result of recent moves by the authorities to restrict imports.

SEIFSA notes that "the steel and engineering industries are themselves contributing to the recession" they are experiencing. Real capital spending by these industries on new plant and machinery is expected to be nearly 30 per cent lower in 1977 than last year.

"This sharp reduction not only accounts in part for the much lower levels of demand in the metal and engineering industries but also reflects the low expectations of a demand recovery in other sectors of manufacturing industry."

Striking coal miners defy union

NEW YORK, August 3.

MORE THAN one-third of the 173,000 members of the United Mine Workers (UMW) are now defying their union's instruction to end a rash of unofficial strikes against cuts in welfare benefits.

Employers claim that the stoppages in eastern Kentucky and West Virginia are further evidence of the declining authority of the UMW leadership which, they say, is already largely responsible for almost quadrupling the number of days lost in the industry through strikes over the past two years compared with earlier years.

The total 4.7m. man days lost since the beginning of 1975 is largely responsible for the current stoppages because they have reduced the volume of money paid by employers into miners' welfare and pension funds. These funds are managed by independent trustees who, faced with dwindling reserves, decided that from July, UMW members must meet up to \$500 of any medical cost for themselves and their families.

UMW members attach tremendous symbolic importance to their free medical benefits, seeing them as the fruit of earlier battles against the system of company doctors paid for out of payroll deductions. Under the current arrangements both pension and health funds are entirely provided by employers on a tonnage produced and managed basis.

The dispute has all the signs of being protracted, although whether it will last until the present three-year miners' contract expires in December remains to be seen. The stoppages are unlikely to cause any serious coal shortages since the daily production loss of around 400,000 tons is less than 20 per cent of the coal mined daily in the U.S.

Senate blocks welfare reform opposed

WASHINGTON, August 3.

PRESIDENT CARTER is press-martied mother on welfare in New York may receive as much as three times what would be paid to a woman in similar circumstances in Alabama.

During the election, President Carter promised to bring some order to this chaotic situation and he plans to submit which corresponds to national insurance in Britain. It is week. But no one in Congress can agree on what it ought to be, how payments ought to be standardized or how the system should henceforth be financed.

Even the American public, according to a CBS poll released last night, are hopelessly split on the issue. Most people favour the giving help - to those who need it - but there is also a pervasive belief that most of the people on welfare could perfect between them. Thus, an un-

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HARRIS BANK

Consolidated Statement of Condition

ASSETS	June 30, 1977
Cash and Due from Banks	\$ 81,865,804
Time Deposits in Other Banks	568,926,440
Federal Funds Sold and Securities Purchased under Agreement to Resell	336,750,000
Investment Securities:	
U.S. Treasury Securities	752,390,169
State and Municipal Securities	402,820,960
Other Securities	16,077,881
Trading Account Securities	199,386,034
Loans, Net of unearned discount	1,826,655,807
Less: Reserve for Possible Loan Losses	(24,322,207)
Direct Lease Financing	54,940,017
Customers Acceptance Liability	62,544,169
Bank Premises and Equipment	93,413,808
Other Assets	89,458,417
Total Assets	\$5,191,907,299
LIABILITIES	
Demand Deposits	\$1,257,530,729
Savings Deposits and Certificates	879,751,402
Other Time Deposits	922,938,758
Deposits in Foreign Offices	781,046,011
Total Deposits	\$3,841,266,900
Federal Funds Purchased and Other Short Term Borrowings	836,169,306
Acceptances Outstanding	62,530,843
Accrued Interest, Taxes and Other Expenses	60,441,156
Mortgage Payable	2,885,355
Other Liabilities	88,933,840
Total Liabilities	\$4,892,227,400
EQUITY CAPITAL	
Capital Stock (\$16 Par Value) Authorized and Outstanding 3,137,815 shares	\$ 50,205,040
Surplus	110,313,660
Surplus Arising from Assumption of Convertible Capital Notes by Parent Company	7,666,200
Undivided Profits	131,494,999
Equity Capital	\$ 299,679,899
Total Liabilities and Equity Capital	\$5,191,907,299

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The CIA's efforts to control the mind

WASHINGTON, August 3.

ADMIRAL STANSFIELD TURNER, the director of the Central Intelligence Agency (CIA), to-day disclosed a mass of detail about CIA attempts to find ways to change and modify human behaviour.

As in the past these details provided a mixture of the spine-chilling and the frankly ludicrous. For instance, the Admiral disclosed that the CIA had used some 185 private scientists and 80 research organisations in a huge agency programme codenamed MK-Ultra.

But this same project also employed for a time a magician - to help with the surreptitious delivery of drug-related materials - and a mystic, who claimed to be able to contact anyone anywhere in the world. It was thought that she might provide clues to a new way of transmitting messages.

Admiral Turner conceded on Capitol Hill to-day that such bizarre activities should not be allowed to obscure the fact that for some 20 years the CIA was engaged in massive attempts to find ways to alter human behaviour which, on several occasions, involved testing drugs and theories on unwitting "patients."

He said that the CIA had abandoned all attempts to do similar research.

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WORLD TRADE NEWS

Eximbank seeks to boost level of American exports

WASHINGTON, August 3. WITH THE U.S. facing a massive deficit...

Campaign to save DISCS

WASHINGTON, August 3. A GROUP of major U.S. exporting companies are stepping up their drive to secure the retention of DISCS...

Dell visit to emphasise trade

WASHINGTON, August 3. FIVE leading British businessmen are to accompany Mr. Edmund Dell, the Trade Secretary...

BOTB charges to be increased

BRITISH EXPORTERS will have to pay more next year for the range of services provided by the Government through the BOTB...

Iran agrees oil barter deal

TEHRAN, Aug. 3. IRANIAN OFFICIALS said that they have agreed in principle on the sale of 1m. tons of Iranian crude oil in return for Soviet goods and services...

\$50m. gas field loan

THE European Investment Bank is providing \$50m. worth of loans to French oil companies in order to support the development of the Frigg gas field in the North Sea...

EEC/CHINA TALKS

Hopes for an early Peking pact

THE EUROPEAN COMMUNITY could have its first ever general trade agreement with a state trading country signed and sealed by this year...

Trade relations have lagged way behind diplomatic ties (established in September 1975). It is mainly because of the political upheavals in China following the deaths last year of Chairman Mao and Premier Chou...

French study boycott charges

PARIS, August 3. THE GOVERNMENT said here today it was studying Israeli charges that French Prime Minister Raymond Barre had nullified the new law that would have prevented French companies from complying with the Arab boycott of Israel...

U.S. cargo Preference Bill backed

WASHINGTON, Aug. 3. A KEY Congressional committee last night passed the controversial Cargo Preference Bill, which will enable U.S. flag ships to carry much greater percentage of U.S. oil imports...

Medical deal

Agreements valued at approximately £125m. have been concluded between Portex, one of the medical subsidiaries of Spiths Industries, and Licensor, acting on behalf of the USSR Ministry of Medical Industry...

S. Korean exports

South Korea's exports during the first seven months of this year totalled \$5,570m, up 51.9 per cent from a year earlier...

HOME NEWS

Import deal threat by new Japanese cars

BY TERRY DODSWORTH, MOTOR INDUSTRY CORRESPONDENT

THE DELICATE peace achieved over Japanese car imports into the U.K. will be threatened later this year by the introduction of the Subaru marque which has made a dramatic impact in the U.S. during the past 12 months...



Subaru 1600 four-wheel-drive estate car.

There are already threats that Suzuki, the motorcycle manufacturer, will be introducing its first car to the U.K. in the near future...

At the same time, British and Japanese manufacturers are facing the prospect of renewed conflict over the increasing sales of Japanese vans and pickups in the U.K.

A mission from the Society of Motor Manufacturers and Traders is due to visit Tokyo to meet the Japanese Automobile Manufacturers Association next month...

Air freight rule changes suggested

By Michael Domes, Aerospace Correspondent

FAR-REACHING changes in the regulation of the U.K.'s scheduled and charter cargo air services are proposed by the Civil Aviation Authority in a report issued yesterday...

CEGB defers order for Drax B station

BY JOHN LLOYD, INDUSTRIAL STAFF

THE CENTRAL Electricity Generating Board decided yesterday not to proceed immediately with the Government's request to order the £600m. Drax B power station...

£7m. Post Office bid to increase home phones

BY JOHN LLOYD, INDUSTRIAL STAFF

THE POST OFFICE has launched a £7m. advertising campaign to persuade more people to have a telephone installed in their homes...

Consumer advice demand

BRITAIN'S LOCAL consumer advice services are in chaos, according to a discussion paper published by the National Consumer Council, yesterday...

The report, called "The fourth right of citizenship" criticises the lack of coherent national policy towards consumer services...

Society should have a fundamental right to information and advice. No matter how well educated a person is, he cannot be expected to know the extent of his rights in the Welfare State...

of his rights in the Welfare State. S.W.1. 75p.

Oilfield back on stream

SHELL/ESSO's Auk oilfield in the North Sea was on stream yesterday after a 12-day shutdown for routine maintenance. It has been yielding at the rate of 65,000 barrels a day...

Bill may return cities' powers

By Ivor Owen, Parliament

FORMER COUNTY, deprived of their first-line in the reform of local government carried through Health Government, may from a partial restoration powers under a Bill now prepared by Mr. Peter Ennals, Secretary of State for the Environment...

He claimed that the men's eventual objective was to give the county council under the Health Government reform...

New pension scheme

By Adrienne Gleason

A SCHEME for supply the main shortcoming of the new system of State which comes into force next year has been devised by the British Institute of Management for its "collective" members...

Comercroft lay off 50

ABOUT 50 engineering retrenched from their jobs to learn that he is out of a job within three months. Their ex-Comercroft Engineer...

NEWS ANALYSIS—BBC EXTERNAL SERVICES

Cutting down the frequency

BY ARTHUR SANDLES

AT 9.30 GMT this morning on the 13 and 16 metres bands, the loudest voice. The Russians last year were averaging more than 2,000 hours a week of transmissions...

meanwhile the nation with the most sensitive area. Memories immediately go back to the days of the 1950s when the commentators tend to urge recognition of the significance of the BBC newscasts in many areas of the world where it is the only source of reliable international news...

Jobs threat

It is still normal for millions of listeners in Africa and Asia to turn their radios on at breakfast time to hear the BBC news in their own language...

Under the CPRS proposals, East African and Asian breakfasts would be taken at a time when the external services were off the air. In Latin America, that silence would descend in the evening...

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HOME NEWS

New energy-saving plan on the way

RAY DAFTER, ENERGY CORRESPONDENT

GOVERNMENT is working on a package of new measures to boost energy saving in industry, commerce and...

to about 50m. tons of coal June 1977, heavy fuel oil prices increased by 500 per cent; the cost of natural gas rose by 300 per cent; coal prices rose by 230 per cent; and electricity costs increased by 120 per cent.

National Utility Service, in its latest report, points out that in the past two years the industrial and commercial user has had to continually pay more for gas, electricity, and oil supplies.

The Government's new campaign will emphasise there is considerable scope for energy saving in industry. A recent Government report showed, for example, that conservation measures in the iron casting industry could be worth at least £15m. a year at present prices within 15 years.

The chemical industry, another big energy user, plans to reduce consumption by a further 10 per cent, by 1985. A bulletin circulated to the industry by the Chemical Industry Association members shows in the 10 years to 1975 the industry reduced its energy consumption by 20 per cent.

Other measures include a 50 per cent grant towards the cost of employing an energy consultant for one day, a free Department of Energy inquiry service, and other Governmental advisory services.

Trident 3 cracks 'easy to repair'

By Michael Doane, Aerospace Correspondent

BRITISH AIRWAYS and Hawker Siddeley Aviation were confident yesterday that cracks found in the wings of Trident 3 jetliners could be swiftly repaired and said that there has never been any danger because of the cracks.

The faults were found late on Tuesday when two Trident 3s went into the Heathrow airport maintenance base for normal major checks, including ultrasonic tests for metal fatigue.

When the cracks were discovered in under-wing butt-ribs, which help to keep parts of the wingskin together, all the rest of the Trident 3 fleet were checked. The 13 Trident 1s and 15 Trident 2s are not involved.

By yesterday evening BA had checked and cleared 12 of its fleet of 25 Trident 3s (on the basis that they would be re-checked every 72 flying hours).

It had also ground eight for further detailed checks. The remaining five aircraft were flying on the routes, and were due to be checked at Heathrow during the night, and when they arrived back at base.

British Airways stressed that the parts affected were not wing-support structures and added: "We want to make it quite clear that there is no danger to passengers had these aircraft taken off in the normal way. We have a flight checking procedure designed to discover faults, and that is what it did."

Earlier reports had suggested that the problem was more serious, involving fundamental parts of the wing, but this was dismissed once engineers from Hawker Siddeley which built the aircraft, examined them at the request of the airline.

Hawker Siddeley said: "We sent in a team of engineers to help assess the problem and recommend how it could be dealt with. Some of the aircraft may be able to continue flying temporarily as the problem may be modified. The modifications may take only half a day."

British Airways had to cancel some flights on European routes and reorganise others. "Flights should be normal to-day, with back-up aircraft brought into use, but the London-Glasgow shuttle service will not operate. The Trident problem follows a number of recent incidents involving both Boeing 747 and Lockheed TriStar jets.

British Airways had attributed some of them to difficulties in its engineering base following disruption this summer caused by the maintenance workers' dispute.

The airline said yesterday: "We keep our standard of safety 100 per cent, no matter what. No aircraft leaves the ground without our full knowledge of its airworthiness. We do not compromise."

It is clearly under considerable pressure as a result of the maintenance workers' dispute, and this is now spilling over into public concern, as the faults come to light.

More Home News on Page 19

BRITAIN IN HOLIDAY MOOD: To-day IAN HARGREAVES takes the NORTH WALES air

LLANDUDNO FIGHTS CHANGE

ASK any of the hundreds of people promenading in the delightful evening air between Llandudno's boundary-marking headlands of the Great and Little Orme to pronounce the name of the resort and you are likely to receive a variety of answers. Mostly, being just 20 miles of crowded flight from Birkenhead, you will hear a straight, nasal Llandudnow. Others, being in Wales, will attempt to do as the Welsh and offer you either an item from the sweet trolley, Ffan Dudno, or that elusive Caledonian trifle, Claf Dudno. And even behind this pitching for the guttural Welsh "ll", you will very likely hear the vowels of Merseyside, Manchester or the Midlands.



Away from it all—on a crowded beach at Llandudno.

The problem of Llandudno's identity (correct pronunciation Chlandudno, incidentally, with the accent on "did"—it means Church of St. Tudno) has been further compounded by its recent re-siting in the new district of Abernwy, and the abolition of its English imperial county name in favour of Gwynedd.

Not many of these changes have shaken the town. Its council remains non-politically oblivious of Plaid Cymru's sweep along the valleys of adjacent Snowdonia, whose peaks were being magnificently mist, even in the glaze of yesterday's sunshine.

In fact, it seems at times as if the very Welshness of the town is in question, to judge by the pre-eminence of English voices among its inhabitants, both edged porary and permanent. Or everywhere with immaculately perhaps it is simply that the great municipal flowerbeds, they deal more noise than the soft-spoken Celts.

But whether they be emigrants studiously guarded by the council, and clearly preferred Liverpool or as Welsh as the hills, the people in this town do not want change.

Llandudno's seafront, in its advantage of purging the sea-way as charming as any in Britain, is an unspoiled plain luring shoppers into the genteel Victorian crescent, broken only by high-quality shops in the only of a tower or dome, and, even so, traders have this brought to a finale at its pier year noticed a fall-off in patronage by the fantastical Grand age, and bookings on the famous

Hotel, which, given a coat of cable-hauled, hillside tramway by the Great Orme, are 10 per cent down on normal.

The buildings in the rest of the town centre are nice rather than outstanding but, edged among its inhabitants, both edged porary and permanent. Or everywhere with immaculately perhaps it is simply that the great municipal flowerbeds, they deal more noise than the soft-spoken Celts.

With at least half the town's working population employed in tourism, these rough-and-ready measures of "the season" are important. But Peter Hall, appointed the resort's first tourism officer three years ago, says projects accounts of doom and gloom as he might a farmer's commentary on the weather: at its most traditional: from the anger of the resort at being denied the status of tourist development area, and thus cut out from 50 per cent. Government grants for new projects.

Llandudno wants to draw in young families as a counterweight to the old, and the recipe seems to work. Yesterday everyone looked happy, by the seaside except the posers of teenagers, anomalously topped in Kiss Me Quick hats and not well catered for in the town.

by Michael Forte (of the Trust Houses' Forie family), and the fact that THS itself is spending £300,000 on the Grand, as bricks of confidence being laid for the future.

Mr. Hall is a voice, though, for the denial of the status of tourist development area, and thus cut out from 50 per cent. Government grants for new projects.

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Health data show growth

Riddell, Correspondent

THE DATA on the personal health of the population, which is the development of accounts and related figures the next decade, the view of two of the Government Service in an article development of the counts, in the latest monthly Trends publication.

Hours place some of the argument that is in the quality of count estimates are important as their further elaboration, also notes that the integration of a U.K. monetary the short-term forecast of the economy is historically, the weekly assumption to Emms' offer is laboratory. His out that progress may be in achieving improvements between the sector derived from estimated on current and count, and those in estimates of bordering.

ossible extensions of accounts boundaries, mention the treatment in welfare, pollution and noise.

Chemists condemn £5m. Ennals offer

BY JOHN LLOYD, INDUSTRIAL STAFF

THE PHARMACEUTICAL Services net rate of one every working Negotiating Committee, which day. Further, the smaller represents the interest of chemists were making a loss on Britain's 10,000 retail chemists, the NHS business of anything yesterday, they criticised the between £150 and £2,000 a year proposals from the Department A survey made in 1976 showed that more than half the chemists who closed their shops gave as their reason the lack of profitability.

Last week Mr. Ennals committee of their case, and offered an increase in the profit element to the smaller pharmacies—a package costing about £5m. Some 3m. of that figure would be public money, the other £2m. would be redistributed chemists' fees from the DHSS from the larger shops—that is, are labour costs, overheads, and their profit element would fall further.

It is this latest offer which the Negotiating Committee rejects as inadequate. Mr. Bob Worby, chairman of the committee, said yesterday: "Mr. Ennals' offer is laboratory. His out that progress may be in achieving improvements between the sector derived from estimated on current and count, and those in estimates of bordering.

ossible extensions of accounts boundaries, mention the treatment in welfare, pollution and noise.

By far the largest part of capital employed—around 80 per cent—is in the stock of drugs. Historically, this was assumed to be around 11 weeks' stocks, on average. In 1975 an independent inquiry discovered that the average stock held was only seven weeks. The Government accordingly adjusted down the profit element of its payment to the chemists—which cost the chemists £11m. spread over the three years 1975-77.

The chemists complained to Mr. David Ennals, the Secretary of State for Social Services, that figures were produced showing shops, that chemists were closing at a rate of around 250 MP.

NOTICE OF REDEMPTION To the Holders of CABOT INTERNATIONAL CAPITAL CORPORATION

9 1/2% Guaranteed Debentures Due September 15, 1980

IT IS HEREBY GIVEN that, pursuant to the provisions of the Indenture dated as of September 17, 1970 providing for the above Debentures, \$1,000,000 principal amount of said Debentures bearing following numbers have been selected for redemption on September 15, 1977, through operation of sinking fund, at the redemption price of 100% of the principal amount thereof, together with interest thereon to said date:

Table with columns for Debenture Number and Principal Amount. Includes a list of 100 debentures with their respective numbers and values.

On September 15, 1977, the Debentures designated above will become due and payable in each coin of the United States of America as at the time of payment shall be legal tender for the public and private debts. Said Debentures will be paid, upon presentation and surrender of all coupons appertaining thereto maturing after the redemption date, at the option of the (a) at the corporate trust office of Morgan Guaranty Trust Company of New York, New York, N.Y. 10015, or (b) subject to any laws or regulations applicable in the country of any of the following offices, at the main offices of Morgan Guaranty Trust Company of New York in Brussels, Frankfurt/Main, London or Paris, or the main office of Algemeene N.V. in Amsterdam, or the main office of Banca Commerciale Italiana in Milan, or the main office of Banque Internationale à Luxembourg in Luxembourg. Payments at the offices referred to will be made by check drawn on a bank in New York City or by a transfer to a dollar account maintained by a bank in New York City in the usual manner.

On September 15, 1977 should be detached and collected in the usual manner. On September 15, 1977 interest shall cease to accrue on the Debentures herein designated.

CABOT INTERNATIONAL CAPITAL CORPORATION, 4, 1977

Debentures previously called for redemption have not as yet been presented for

Fall in colour TV set deliveries

By James McDonald

DELIVERIES to wholesalers of colour television receivers in May, at 100,000 units, were 8,000 fewer than in May last year, according to the British Radio Equipment Manufacturers' Association.

But total deliveries of colour TV sets for the first five months of this year, totalling 580,000 units, were about 15 per cent higher than in the same period of 1976.

Imported sets accounted for most of the increase: British manufacturers supplied 446,000 units (77 per cent.) as against 436,000 units (87 per cent.) in the first five months of 1976.

May deliveries of monochrome television receivers amounted to 71,000, giving a total for the five months of 428,000, compared with 412,000 units in the same period of last year.

Within this overall total, British manufacturers' deliveries stood at 203,000 units—47 per cent of the overall total—compared with the equivalent 1976 figure of 182,000 receivers—44 per cent.

The Association's members delivered 22,000 audio systems to the British market in May, substantially fewer than the 36,000 in May 1976. For the first five months of the year the total, at 180,000, was about 13 per cent below the level in the same period of last year.

Cheap August travel offer

WESTERN REGION is to run more than 180 special excursion trains—with cut-price fares—during August.

Nearly 60 trains will run from Paddington and stations in the Reading and Oxford areas with fares of £2.50 for an adult and a child aged between three and 14. The remainder will start from South Wales, the West Country and West Midlands.

A note to Employers.

The YES scheme still offers you £10 a week, for taking on an unemployed young person.

The Youth Employment Subsidy was introduced to help employers provide more job opportunities for young people under 20 who have been unemployed for 6 months or more. The scheme has now been extended until 31 March 1978.

This subsidy is available to all employers in the private sector of industry and commerce, as well as the nationalised industries throughout Great Britain. (Northern Ireland has a separate subsidy scheme).

The subsidy amounts to £10 a week for each young person employed and is payable to the employer during the first 26 weeks of employment. Before you can claim it, you must satisfy the following conditions:

- 1. The unemployed young person you recruit must start work on or before 31 March 1978.
2. They must have been under 20 years of age on 1 September 1977 and have been unemployed and registered for work at a Careers Office, Employment Office or Jobcentre for a continuous period of at least 6 months at the time you employ them. (Where the employment starts on or before 31 August 1977, the Youth Employment Subsidy is available for young people who were under 20 years of age on 1 October 1976).

If you have already claimed, or are receiving, Temporary Employment Subsidy or a Premium Grant, Recruitment Grant or Adoption Grant for any young person, you cannot also claim Youth Employment Subsidy for the same employee. For further information and an application form, contact your local Careers Office, Employment Office or Jobcentre. YOUTH EMPLOYMENT SUBSIDY Department of Employment DE

Technical Page

PUMPING No moving parts

THE WAY that bathwater swirls before disappearing down the plug-hole has been a topic of absorbing interest for generations. Now, the vortex created when fluid spirals before making its exit has been used as the principle for a new technique of fluid control.

Basically, if a flow of liquid, gas or air can be made to swirl round a circular chamber under controlled conditions, a miniature typhoon can be created around an axial inlet so that a high resistance to flow can be produced in one direction and a very low resistance in the other.

With two of these valves and the use of alternating pulses of pressure, a fluid can be moved from one point to another, without it being pumped through units without the need for any moving part coming in contact with the material. In some instances the pressure can come from the very flow of the material, while in extended applications, pressure can be introduced by air line from a remotely located air source.

Several years' research and development have been carried out by the Systems Engineering Department of the UKAEA Northern Division at Risley and the direct fluid control technique is finding important applications. Units have been scaled up and are now capable of handling fluids in terms of litres per minute and metre cubes per hour. Fluidic power pumps are being installed in a number of areas where access for maintenance would be extremely difficult. The fluidic power unit virtually eliminates problems of inertia and friction and revolutionises

COMMUNICATION Intercom is controlled by micro

TO BE SHOWN at the International Business Exhibition in Birmingham this coming October is a new generation intercom equipment designed and developed by Snabbteleforn of Sweden working with Informasjonskontroll of Norway.

The intercom unit is controlled by its own microcomputer which can be programmed to carry out types of services not normally available on this kind of equipment. They cover automatic call-back, call transfer, secretarial transfer and automatic priority.

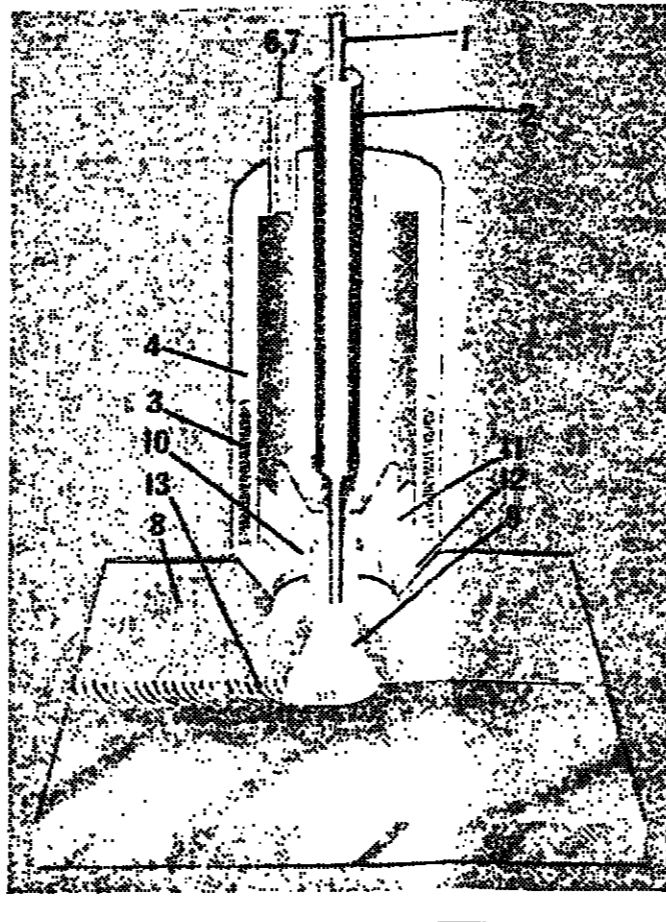
Systems are built up in groups of four extensions though initially two rack sizes for 32 and 100 lines will be available.

More from Contacta Communication Systems, 32 Pope Road, Bromley, Kent BR2 9QD. 01-464 7214.

CONFERENCES Dangerous loads on the roads

THE DANGER involved in the transport of petrol, acids, liquid gases and other corrosive materials is to be discussed at a conference at the Institution of Civil Engineers in London on December 15.

Transport of Hazardous Materials will be the title of the conference which will cover design, sign of road tankers, designation of special routes away from highly populated areas and special drainage systems.



WELDING Advances in plasma-MIG

SIGNIFICANT improvements in the molten tip of the welding rod with an enveloping plasma arc in an inert gas, which can be argon. The arc is struck between a water-cooled opening (anode) and the workpiece. This plasma in turn is protected by a layer of inert gas.

By combining the opening for the plasma with that for the inert gas, fluctuations in plasma pressure have been cut out and a more stable contact between anode and plasma is obtained.

One variant in torch design is intended for particularly deep welds without excessive heating of the weld wire. In this, the torch diameter is smaller and the plasma stream faster so the molten droplets fly off the weld wire more easily.

In another variant the plasma sheath is also in contact with the workpiece, shielding the operator from ultraviolet and suppressing oxide formation. Spread of metal vapour is also almost completely eliminated.

Philips Eindhoven points out that the work described above is in the laboratory and should not be taken to imply a decision to make and market.

A synthesis of plasma welding and MIG welding, the method

Thompson Cochran Boilers

Telephone 041 556 5252

HANDLING More bulk bags in the offing

PREPARING for two new types of intermediate-bulk (big bag) containers to be introduced later this year, Lofitt of Knarborough has set up a new plant in Ripon, which will allow it to offer short delivery times for large orders.

Lofitt is already the largest European manufacturer of this type of container and some 70 per cent of output goes to export markets. The new Ripon facility will more than double production capacity.

Big bags, made of polypropylene are ideal for shipping powdered and granulated materials such as cement, coffee, fertiliser and other dry chemicals. Capacity is around the one-tonne mark and no further support facilities are needed, despite the amounts the bags can take.

This method of handling, which saves at least one intermediate operation, is likely to gain in popularity because of the simplicity it introduces.

The two new bags, to be introduced at a later stage, are not replacements for earlier designs but totally new units.

More from Lofitt, which operates from Halfpenny Lane, Knarborough, Yorks HG5 0PS. 0423 864941.

RETAILING Tills to go electronic

WHAT is thought to be the biggest commitment so far to point-of-sale data collection for business management purposes in the U.K. has been made with a £2m. order for IBM from Lewis's (Sears Holdings).

First installations, in February, will be of 110 IBM 3650 terminals in the department stores in Bristol, Leicester and Oxford. Then, over the following three years the remaining nine stores at the company's dispersed throughout the country will be equipped with a further 400 of the "electronic cash register" terminals working over lines into an IBM 370/138 mainframe for storage at the company's London computer centre.

The Lewis's decision strengthens the connection between Sears Holdings and IBM because British Shoe Corporation already has 370/138 and 145 machines at its Leicester computer centre, which carries the merchandise with carry numerical codes, on tags, which the sales assistant will key in to the terminal; later, the assistant will use a "wand" connected to the terminal to read magnetic coding on the tags.

For the future, the company sees the linking together of the point-of-sale network with the London and Leicester computers as an excellent basis for the development of a Sears Holdings distributed data processing network embracing not just Lewis's and British Shoe but the other companies as well.

For its part IBM no doubt stands prepared, having just won the present order in competition with NCR and TRW.

COMPUTING Translates pictures

CALCOMP, which has some 20,000 graphics units in the field and is now a significant memory producer, has added a series of digitisers to its repertoire.

These 600 Series digitisers are available with a choice of six sizes of active surface areas between 11 x 11 and 69 x 44 inches. Other sizes can be obtained to order as can backlit and rear projection versions.

Compatible with all currently available minicomputers, the digitisers are for use in converting graphic material such as engineering drawings, maps, photographs, sketches, etc. into digital information for computer processing. This can then be displayed and manipulated on a VDU, plotted on a CalComp plotter or stored for further use and analysis.

A small, touch button control 50211.

Combines a forklift and carrier

DESIGNED AND built in Germany by Lansing GmbH, a new electric stacker is available in the U.K. from Lansing Bagnall.

The new stacker is compact and designed to combine the functions of pallet transporter and rider lift truck. It incorporates an initial lift feature of 110 mm, and when used for horizontal transport only, loads of up to 2,000 kg. on any type of pallet can be handled. In addition, the truck will stack a 1,250 kg. load to a maximum height of 3.7 m.

A patented pulse control system gives economical use of battery power, and provides infinitely variable speed control. Side ways positioning of the operator ensures good all round visibility. Controls, which include separate lift and lower control levers for pallet leg and fork operation, are laid out in a logical manner, while a sturdy overhead guard incorporates back and head protection, extends the truck's whole operating compartment.

The company is at Kingsclere Road, Basingstoke, Hants. 0256 3131.

RESEARCH New look at paint

IT appears that better knowledge of the structure of paint films will result from work now going on at the Paint Research Association, Teddington.

New saturation with current methods of examining the distribution of pigment, the state of agglomeration and its physical shape can then be seen using an electron microscope. Further bombardment sequentially expose deeper layers of the paint film, so building up a picture in depth. The new method will, it is hoped, yield a new way of predicting the lifetime of a paint film. Waldegrave Road, Teddington, Middx. (01-977 4427).

PROCESSES Accuracy in tableting

COMPLETE accuracy in proportioning ingredients is critical in the pharmaceutical industry. For its new tablet production unit at Nottingham, the Boots Company, which produces over 10,000,000 tablets a year, has installed high efficiency ion beam weighing equipment supplied by Toledo Scale.

The new unit is probably the largest of its kind in the world and is designed to the requirements of the Code of Good Pharmaceutical Practice, while ensuring an economical production rate. Strict security and control is maintained at every stage of storage and manufacture.

Incoming goods are quality control sampled and labelled before leaving the reception area, then held in a quarantine area until approval from the quality control department has been obtained.

The raw materials are weighed into batches in the dispensary, which comprises four weighing-up rooms, each containing three four cell pharmaceutical scales, with an accuracy of 1 part in 5,000. The smallest, Model 3155 weighs up to 2.5 kg. The Model 2084 from 2 to 125 kg. and the Model 2184 from 10 to 125 kg. This range was necessary to give the limits of accuracy demanded by Boots' rigid specifications.

Only one material is allowed in the weighing-up room at a time. Predetermined weight is recorded on a digital indicator which has provision for a printer. From the weighing room the ingredients are conveyed into the granulating room for mixing and fluid-bed drying. After any over-sized granules have been broken down, the material is delivered into a bulk granulo-

Microfilms made faster

LATEST Kodak Reliant microfilm, the model 750, is some 10 per cent faster than the superseded model 700.

Among the items providing increased efficiency and ease of use is a monitoring photocell which shuts the transport mechanism down in the event of a document jam, and also ensures that no documents are left in the machine when it is switched off. An exposure controller compensates for the colour of each document so that images on the processed film are of consistent density.

The operator is helped by an annunciator panel; words in green indicate operating methods and what accessories are in use; others in red, alert the operator to the need for corrective action.

An odometer system, similar to that used on tape recorders, enables documents to be indexed for fast retrieval on a compatible microfilm reader. Four reduction ratios are obtainable; two rolls of film can be exposed at the same time. More from P.O. Box 66, Station Road, Hemel Hempstead, Herts. HP1 1JU (04-4281122).

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International Standard Electric Corporation

6% Sinking Fund Debentures Due 1986

NOTICE IS HEREBY GIVEN that, pursuant to the provisions of the Indenture dated as of March 1, 1976, under which the above described Debentures were issued, \$960,000 principal amount of the said Debentures of the following distinctive numbers has been drawn by lot for redemption on September 15, 1977 (the "redemption date") through the operation of the Mandatory Sinking Fund and Optional Sinking Fund provisions at 100% of the principal amount thereof (the "redemption price"), together with accrued interest to the redemption date:

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Aged 27-30 with experience in industry, preferably manufacturing, applicants should be qualified accountants. Please telephone or write to Stephen Blaney B. Comm., ACA quoting reference I/1547.

EMA Management Personnel Ltd.
Burne House, 88/89 High Holborn,
London WC1V 6LR.
01-262 7773

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PA Personnel Services
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Hong Kong c. £14,000 + free housing

Play a key role in the management and control of one of Hong Kong's foremost construction engineering companies. Consolidate its position as a major sub-contractor.

The Company: Part of a leading S.E. Asia trading Group with a high reputation for its sound technical management and record of achievement in the Civil Engineering field. Financial resources are substantial and future prospects are exceedingly good. Growth must however, be matched by effective and sophisticated financial controls.

Your Role: To consolidate existing financial controls. Implement tight disciplines for Project Evaluation and Tendering. Prepare and evaluate all financial reports, operating and cash flow statements. Produce budgets and variance reports to the Corporate H.Q., as part of rigorous group control procedures. Play a lead role in controlling accounting, administration and purchasing functions. Ensure effective use of manpower, raw materials and money.

Our Man: A qualified accountant + Minimum 2 years experience as a Financial Director/Controller, in the Construction and Civil Engineering industry + Good knowledge of Overseas Contracts + Ideally, experience in S.E. Asia + A practical financial manager, well used to visiting sites; stock control procedures; negotiating with subcontractors... maximising profitability.

Remuneration: Total earnings will exceed £14,000 p.a. (maximum tax in Hong Kong is 15%). Benefits include: — Free Housing + Use of Car + Generous Retirement Scheme + 6 weeks leave (passage paid).

ACT NOW! Write to Mr. R. N. Goode M.A. (Contab.) stating how you meet the precise criteria set, or telephone for an application form on 01-388 2051 or 01-388 2055 (24 hr. Ansaphone). Our Client's Group Financial Director will be in the U.K. from August 15th to interview a short-list. (Reference 152)

MERTON ASSOCIATES (CONSULTANTS) LIMITED
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Executive Search and Management Consultants

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Essex from c. £10,000

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Candidates, aged 30-35, must have had first class general accounting and budgetary control experience in a large commercial organisation using advanced computer systems. Ability to motivate staff is important. The person appointed will have a wide span of responsibilities and will be encouraged to contribute to the general management of the company.

Apart from a negotiable salary there are attractive fringe benefits.

Write in confidence, quoting reference 2828/L, to E. M. Nell,
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11 Ironmonger Lane,
London, EC2V 8AX.

FINANCE DIRECTOR GERMANY

Major U.S. Corporation seeks a Finance Director for its subsidiary based in Southern Germany.

Must be fluent in German and should be well experienced in the areas of manufacturing control systems, financial analysis and planning.

Position offers attractive salary, as well as excellent future promotional opportunities within the International Finance Group.

Write Box F556, Financial Times, 10, Cannon Street, EC4P 4BY.

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It is not essential to be a qualified accountant but several years experience in a senior executive appointment, preferably associated with the garment or textile industries, is of paramount importance. Age 35-40.

Initial salary is negotiable around £10,000 per annum plus car and non-contributory pension plan.

Please apply, in confidence, for application form to D. G. de Belder, Knight Wegenstein Limited, Commercial Union House, 75 Mosley Street, Manchester M2 3HR, quoting reference number: 68048. Telephone 061-236 0987.

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Applicants should be accountants or numerate graduates with experience of large multinationals using advanced computer based systems for appraisal and reporting who qualify by experience to take charge of forward planning and forecasting (short, medium and long term); profit and cost analysis and reporting; and a wide ranging financial review function in a large multinational where these functions are of paramount importance.

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Please write to Brian H. Mason at John Courts & Partners Ltd., Selection Consultants, 78, Wigmore Street, London, W1H 9DQ, quoting reference 618/FT.

JC&P

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Essex to £8,000 + car

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Candidates, qualified ACA or ACCA, should have developed a sound tax appreciation either within public practice or industry. We need a strong personality of either sex who will work harmoniously with senior management of varying disciplines. There is considerable scope for development of this role within the group.

Initial salary will be around £8,000. A car, relocation expenses where relevant and attractive benefits complete the package.

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GROUP ACCOUNTANT

South Herefordshire

Engineering Company requires Financial Accountant for overall Management Control, responsible to the Board, to provide monthly Management Accounts, and the Annual Accounts for audit.

The successful Candidate must be qualified, and have at least five years Industrial/Commercial experience in a responsible position.

Must be capable of developing management accounting and project costing for the Company's own branded Products, including export documentation.

The Company is currently installing its own Computer, and involvement with formulation and implementation of computerising accounts will be required at a later date.

Salary will be not less than £6,000 plus Company Car, dependent on age and successful experience.

Applications in the first instance in writing to —
RINGSOTT DIX & CO,
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By 24th August 1977.

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Applications in strict confidence quoting ref: 6116 to E. A. C. Griffin Mervyn Hughes Group, 2-3, Cursitor Street, London EC4A 1NE Telephone: 01-404 5801.

Mervyn Hughes Group
Management Recruitment Consultants

Jonathan Wren Banking Appointments The personnel consultancy dealing exclusively with the banking profession.

ACA/ACCA c. £5,500
U.K. Merchant Bank wishes to recruit a recently qualified accountant aged between 25 and 30 years with experience of preparing accounts and management reports and a knowledge of computerised accounting systems would be an advantage. Only applicants who are prepared to be adaptable and able to stand by the courage of their convictions in dealing with management should apply.
Contact: Leslie Saviles

MORTGAGE UNDERWRITER c. £6,000
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Contact: Leslie Saviles

BUSINESS DEVELOPMENT neg. £6,000+
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Contact: Leslie Saviles

EUROBOND SETTLEMENT to £6,000+
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Contact: Leslie Saviles

Jonathan Wren & Co Ltd, 170 Bishopsgate, London EC2M 4LX. 01-623 1266

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A board appointment is envisaged in the foreseeable future and the remuneration package available would be of considerable interest to those seeking to consolidate themselves in the city.

Please reply in strict confidence quoting reference No. 2824.

Charles Barker-Coulthard
30, Farringdon Street, London, EC4A 4EA.
Telephone: 01-236 0526

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Applications, which will be treated in the strictest confidence, should be sent with curriculum vitae to Box A.6043, Financial Times, 10, Cannon Street, EC4P 4BY.

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Salary scale £4400 to £7000 (London Allowance). Applications should be sent to the Registrar, (FT), Scale House Street, London WC2E 7HD, by the closing date. Please specify in writing the particular area of interest.

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Thornton & Co. are expanding their electrical and electronic departments and have a vacancy for a highly qualified and experienced person to be given responsibility for the design and development of electronic equipment for the company's products. The successful candidate will be required to work in a team and to liaise with other departments. The position will be based at our headquarters, 22, Cassin Lane, London EC2A 4JF.

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New Zealand



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Please write with relevant details - in confidence - to W. A. Griffiths ref. B.23475.

MSL Management Consultants

Management Selection Limited
17 Stratton Street London W1X 6DB

Senior Tax Adviser International Oil Company

Our client is seeking a U.K. Tax Specialist aged 30-35 years to advise on tax implications covering all aspects of their integrated operations.

The successful candidate will be based in their offices in the West End of London but occasional travel outside the U.K. will be necessary.

Salary will be around £12,000 p.a.
Written applications should be addressed in confidence to:

**The Managing Director (Ref. 7/88/T)
Resources, 1 Ludgate Circus Buildings
London EC4M 7LQ**

Please indicate clearly in a covering letter any companies to which your reply should not be forwarded.

Resources

DIVISIONAL MANAGEMENT ACCOUNTANT

London W3

c £6500

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A full member of the divisional management team, he or she will work closely with senior line managers.

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Aged 27-32, applicants should be qualified accountants with industrial experience. Please telephone or write to Stephen Blaney, B.Comm., A.C.A., quoting reference 1/1564.

Management Personnel Ltd.
Burne House, 88/89 High Holborn,
London WC1V 6LR.
01-242 7773

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For an application form, quoting reference C195A, to E.R.P. International Management Limited, 15-17 White Friars, Chester CH1 1NZ. Tel. 0244-317886 (Aansafone 5 pm).

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The person appointed will be given far-reaching responsibility for the day-to-day activities of the Department, as well as having considerable influence in shaping its long term development. So the position calls for strong managerial and organisational skills, as well as a clear ability to get on well with colleagues and alike.

Candidates should be aged between 28 and 35. The person to be appointed is probably working at the moment in another financial firm, either legal or financial, and will be confident of her ability to take on the challenge of this exceptional role.

Knowledge of accountancy is essential. In particular, we are looking for someone experienced in the preparation of management accounts, pay-roll work, introduction of new systems into companies, taxation, exchange control. In addition, experience of audit work and computer systems would be an advantage.

If you believe that you have the practical experience and personal qualities for this key position, please apply in writing to Mr. J. Coopers & Lybrand, Abacus House, Gutter Lane, London EC2V 8AH.



SAVAGE & HEATH (STERLING) COMPANY LIMITED

Our company has vacancies for inter-
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Applications must be addressed in writing to
Company Secretary, Savage & Heath
Company Limited, Lee House, London
London EC2Y 5AU.

THORNTON & CO. INVESTMENT RESEARCH DEPARTMENT

Thornton & Co. are expanding their investment research activities in the Electrical and Engineering sectors and currently have a vacancy for an additional Analyst. Preference will be given to candidates with industrial experience in the heavy electrical, mechanical engineering or process plant fields. Terms of employment will be offered to the successful candidate. Please apply in writing to Mr. B. D. Penton House, 22, Cousin Lane, London, E.C.4.



01-439 1701

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The company, which has been one of the fastest growing in the electronics industry for the past seven years, is looking for an energetic and talented man or woman who can assist the present team to accelerate this growth in the future.

Particular emphasis is placed on cash flow, costing and budget control, and at least 2 years experience in industry in these areas would be beneficial.

A top salary with profit sharing bonus and other benefits will be offered and it is expected that applicants will currently be earning in excess of £7000 p.a. No ceiling has been set on the salary which may finally be negotiated. Please write in the first instance giving full details of background and experience, indicating those companies to whom you do not wish your application forwarded.

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Executive Appointments
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marking envelopes "Financial Controller"

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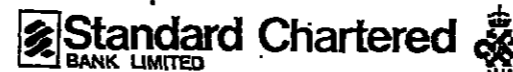
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Write giving relevant personal data and career history to: The Personnel Manager, Standard Chartered Bank Limited, 10 Clements Lane, London EC4N 7AB.



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Salary will be negotiable according to ability and experience. Applicants should submit full C.V. in confidence to:

The Personnel Manager
Laurie, Milbank & Co.
36 Coleman Street, London EC2R 5AJ

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The position is an important one and the responsibilities include, inter alia, preparation of consolidated accounts, taxation, budgetary control and the introduction of improved administrative and accounting systems. The person appointed will deputise for the company secretary in the latter's absence. Overseas travel will be necessary from time to time.

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Write in confidence, quoting reference 2100/L, to E. M. Neil,

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Previous experience and the ability to contribute to the expansion of equity business is essential.

Salary will be appropriate to experience and ability.

Please send full details to:
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GPO Box 435,
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OMIC VIEWPOINT

The great profitability puzzle

able in most parts to meet the needs of an expanding population, changes in consumer taste and so on. Technical innovation also requires investment, both to embody that innovation in physical form and to provide jobs for workers displaced. But beyond a certain point, additional capital yields diminishing returns. Capital becomes plentiful relative to labour: real wages are bid up and a labour-saving form; and the enthusiasm or at least the eagerness of the rentier approaches. The result can be called either stagnation or blis depending on the level of living standards when this state is approached. This model underlies Adam Smith, Marx and Keynes alike, although Marx tied himself up in knots trying to reconcile the falling rate of return to capital with increasing exploitation and "immiseration" of the worker.

Bottlenecks

There is only one snag with this model. The shortage of labour relative to capital which it presupposes is no longer apparent. On the contrary, the conventional view is that there is a large reserve of unemployed labour. A good many economists believe (including some of the OECD McCracken Group who were split on the issue) that the obstacle to fuller employment is neither the refusal of governments to stimulate their economies nor just the likelihood of increased inflation if they did, but capital shortages and bottlenecks. In other words there are not the plant, equipment and enterprise to employ the labour force. The sort of reason why demand stimulation could not provide full employment in an under-

developed country like India now applies to much of the West—a sort of high level underdevelopment. The 1973-74 oil price explosion ought also to have increased the rate of return on capital. The new structure of energy prices made much existing capital equipment obsolete, quite apart from government energy saving campaigns.

Why then do businessmen not perceive sufficient profit opportunities in new investment to provide work for the unemployed, whose very plentifulness might be expected to make them cheap to employ? The answers are not as obvious as they might appear at the barroom counter.

The first inclination of a market economist is to say that either unions or government policy are pushing up real—not just money—wages to well above market-clearing levels. If this happens firms will not have sufficient incentive to extend capacity to restore normal employment levels; and the investment that is undertaken will be excessively labour-saving.

But how much evidence is there that wage push has driven down the rate of return? Here there do seem to be differences between countries. As the upper chart shows, there has been very little long run squeeze on the share of profits in the value added in the U.S. Nor has there been in Germany, Japan, France and Canada. The fall in the gross rate of return in the U.S. and Germany therefore suggests a greater capital intensity, in the form of a rise in the capital to output ratio rather than a labour-induced squeeze. In the U.K. on the other hand, as in Sweden and the Netherlands, there seems to have been a

severe squeeze in the share of profits in value added. But even if union action has been eroding both profit margins and the rate of return in certain countries, this only pushes the question a stage further back. For it is far from obvious how the unions are able to do this. Why do not firms raise prices to re-establish profit margins? The answer cannot be entirely price controls, as so many prices are below the permitted levels.

Under-pricing

The reason probably lies in the time lags in adjusting to inflation as to other changes. Because they have not always been thinking in inflation accounting terms, firms may have been underpricing and not taking full account of the up-to-date replacement costs of stocks and fixed assets in their charging policies. The adverse effects of inflation on employment and investment are, as Professor Milton Friedman argued in his insufficiently read Nobel Lecture (published by the Institute of Economic Affairs), probably transitional, even though the transition may take many years. There is, in fact, no way under decentralised bargaining by which unions can permanently price labour as so much out of jobs.

A particular example of delayed reaction to inflation is the corporate treatment of interest payments. The lower chart shows that the net rate of return, after depreciation, tax and all financial costs, has fallen dramatically in the U.S. even though the gross profit share has held up well. In the U.K., almost entirely dried up and a bank advances have risen from

just over 30 per cent of total corporate borrowing in 1960 to well over 70 per cent last year. This floating rate debt has become more expensive to finance as interest rates have risen. The Bank of England June Bulletin showed interest payments rising from under a fifth of total corporate appropriations in the early 1960s to about a half in recent years. Any relief provided by the present decline in interest rates will prove ephemeral in the extreme if double digit inflation continues, as it is likely to do.

This brings us to the paradox discussed by the Accepting Houses in their evidence to the Wilson Committee, that real interest rates allowing for inflation are often negative, yet many companies find interest costs prohibitive for new ventures.

of the new house buyer aware of the heavy inroads that mortgage payments are making on his income and impatient with the economist—or building society depositor—who tells him that his real borrowing costs are negative.

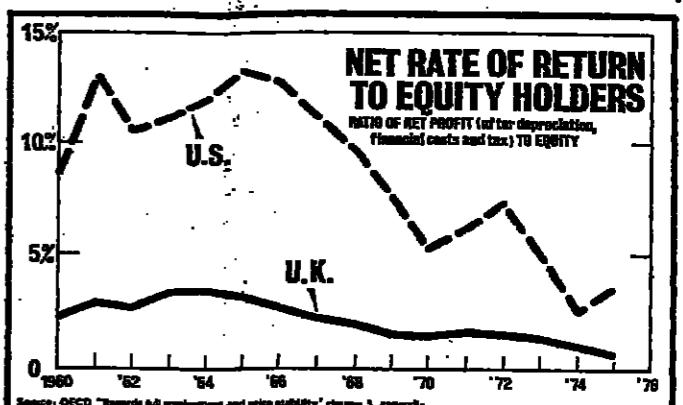
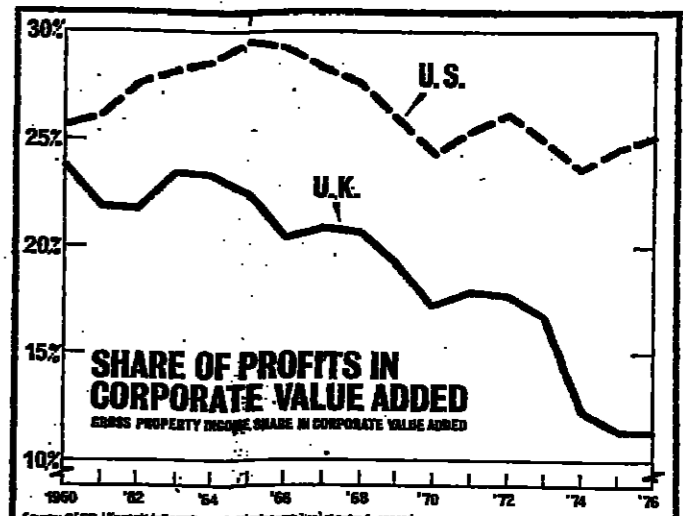
But it is not enough just to denounce public sector deficits or inflation. The former have a balancing role to play if carefully monitored; and the latter will not go away because we say that it should. The Government's stated objective of getting inflation down to the level of our main competitors would still leave us with 9 per cent inflation, enough to wreck havoc with our business arrangements without inflation proofing.

The answer to the businessman who says he cannot afford an indexed loan is that on the contrary he probably cannot afford to borrow on any other terms. There is no magic in such loans. They would simply restore the time pattern of payments that would exist under stable prices. They would be provided by savers who themselves preferred a more stable real rate of return and who did not want to lose all their financial assets.

If corporate conservatism were the only obstacle, we would by now have had several experiments in indexed loans. A more difficult obstacle is tax discrimination against them.

But worst of all is the authoritarian and headmasterly way in which the Treasury and Bank of England have just said "No" whenever a company has wanted to experiment with such an issue for fear that indexation would spread like a disease.

All things pass away and ultimately our financial system will be adjusted to inflation, as will corporate practices. Nor is



likely that union power or firms." But when these various adjustments have been made, however imperfectly, I suspect that "the need for more investment" will turn out to have been at best a very temporary truth. The grin remaining on the Cheshire Cat will be seen to be forming the words "declining rate of return on capital," which will be the more enduring slogan of "encouraging small

Letters to the Editor

term
great

Early freeze on beer prices now unlikely" Kenneth Godding said that Mr. Hattersley would "probably urge on the revamped Price Commission that when the big brewers next notify pending price increases, they should be frozen for at least three months." During the next consultation period on the terms of what is now the Price Commission Act, the Food and Drink Industries Council constantly urged on Mr. Hattersley the unfairness of the powers he was seeking to take under which a firm's price increases could be frozen pending investigation by the Price Commission. We pointed out continuously and forcibly, and our views were repeated in both Houses of Parliament, that this would mean that companies would be penalised without evidence of misleading. They would in fact be treated as guilty until proved innocent.

Mr. Hattersley refuted these views and sought to remove our apprehensions by saying that neither he nor the Government would have any influence over the Price Commission in its decisions as to which price increases were to be investigated and thus frozen. It was his case, therefore, that the food and drink industries, which are in the forefront of any price control discussions, would not simply because of the emotive and political nature of their products be singled out for investigation for political reasons.

Mr. Godding now suggests that this "is exactly what will probably happen in respect of proposed beer price increases. We do not know his sources of information. If, however, his suppositions stem from the Department of Prices and Consumer Protection, it is clear that all this council's apprehensions were extremely well founded.

T. V. N. Fortescue,
1-2 Castle Lane, S.W.1.

context it is interesting to see what can happen to one of our advertiser recently examined schedules bought in two areas in March, September and November, comparing the actual 1976 purchases with identical schedule expectations in 1977. In each case the contractor had claimed an 18 per cent increase on the rate card. In the second area monthly increases were 58.24 and 31 per cent respectively. Advertisers have many similar examples right across the network.

Times of high demand advertisers cannot object to paying more. But experience shows that market forces are not allowed to operate in reverse when demand is low. Time is withheld and a false situation is created. This is what we mean when we talk about the exploitation of their monopoly by the TV companies. (And for a company wishing to advertise on TV it is a monopoly.)

Mr. Hedley Greenborough, the president, stated the views of the IBA unequivocally on the fourth TV channel, when he said: "As advertisers, we are keen to see the full play of competition given full rein, so that effectiveness of our expenditure can be enhanced to the maximum."

G. W. Lamb,
2, Basil Street, S.W.3.

variety of technical reasons the U.S. and Japanese markets, relatively inexperienced over-jaded, ing crude palm oil, and that the partly refined products fit well into their existing operations. Established European markets, on the other hand, with their existing processing capacity and their experience, prefer the greater flexibility obtained by purchasing crude oil.

The long-term question is whether the price obtainable for end products will furnish an adequate return to the Malaysian operators for the capital and running costs of their plant.

If and when one other type of processed palm oil fetches a sufficient premium in the world market over crude palm oil, the Malaysian processor will have no difficulty in buying his crude oil ingredient.

K. C. Berger,
Technical Adviser—
International Trade Centre,
Geneva.
17, Grosvenor Road, W.4.

would retain two sets of traffic lights within 300 yards! It is a great deal better to have one set of lights than two sets of lights. It is a great deal better to have one set of lights than two sets of lights. It is a great deal better to have one set of lights than two sets of lights.

Mr. Cyrus Vance, U.S. Secretary of State, continues tour of Middle East.

Association of South-east Nations (ASEAN) summit, Kuala Lumpur.

Senior shop stewards at Leyland Cars consider management proposals for pay-industrial relations package.

The Queen and Duke of Edinburgh sail from Southampton in Royal Yacht Britannia for Jubilee tour of West Country.

To-day's Events

- Finance Ministers of Organisation of Oil Exporting Countries (OPEC) meet in Vienna.
- Mr. Cyrus Vance, U.S. Secretary of State, continues tour of Middle East.
- Association of South-east Nations (ASEAN) summit, Kuala Lumpur.
- Senior shop stewards at Leyland Cars consider management proposals for pay-industrial relations package.
- The Queen and Duke of Edinburgh sail from Southampton in Royal Yacht Britannia for Jubilee tour of West Country.

- Carding Group, Wolverhampton, 5.30.
- Cropper (James), Kendal, 10.30.
- Culler Guard Bridge, Guard Bridge, Fife, 12.
- Cullens Stores, Dorking, 3.
- Fleming (Robert), 8, Crosby Square, E.C. 12.
- Reed International, Institution of Electrical Engineers, Savoy Place, W.C. 2.
- Renold, Manchester, 2.30.
- Scapa Group, Blackburn, 11.30.
- Triplex Foundries, Tipton, 12.
- SPORT
- Cricket: Minor Counties v. Australians, Sunderland, Golf: Fourth championship, Moor Park; Women's championship, Sunningdale. Show jumping: Dublin Horse Show. Yachting: Cowes Week.

Advertisers vs TV companies

From the director, Incorporated Society of British Advertisers.

Sir,—The debate of the future of the fourth channel has calmed down somewhat since July 1, following submissions of interested parties to the Home Office. But this is a deceptive calm before the next storm. So far, the opinion of advertisers, who pay for independent TV in Britain, has hardly been heard outside TV and advertising circles. The major concern of these companies, without whose support there can be no fourth channel at all in the short term, is that the channel should not go to existing contractors.

Advertisers want competition between the existing ITV stations and fourth channel contractor(s) in the sale of airtime. The reasons for this hard-line approach to the TV companies by their customers (British industry) go back many years; but one need only look at the market situation that exists to-day to understand our position.

We now have new rate cards from the TV companies, and the rate increases therein have given advertisers great concern. On the basis of the contractors' own calculations, the majority show increases of above 15 per cent, and some are up by 20-25 per cent. Furthermore, rate cards all too often conceal rather more frightening experiences in terms of the actual costs which advertisers ultimately pay for the use of the medium. Each card is now an ingenious amalgam of surcharging devices, and in this not

Boston the hub of the universe

From Lord Thomas.

Sir,—The authoritative article on Concordie utilisation by Michael Doune (August 1) bids me to ask "Why not Boston as a North American gateway for Concordie?"

Boston has no stiff-necked "Port Authority" that clings to the tails of legal imbrolios to support its ego, and the airport at Boston is almost an offshore island so that noise problem is lessened.

Moreover, Boston is a splendid junction for connections to mid-Western America—Chicago, St. Louis, Pittsburgh and the like. Similarly it is well sited in relation to Canada, with direct flights and locally served, by a splendid series of six and eight-lane highways, the rapidly developing industrial areas of New England and Maine, and their corresponding hinterlands.

Maybe I am biased, but I will declare my interest. Years and years ago in the early days of BOAC I helped to respond affirmatively to the request of the then City Fathers of Boston that the airline should serve their City as well as New York. Since then I have been a honorary citizen of Boston, and am proud of it.

Apart from that, Boston is nearer to London than either Washington's Dulles, or New York's prickly Kennedy airfield, and so might make more fare paying seats available more often.

Thomas,
Britannia Airways,
London Airport, Bedfordshire.

Paying the premium

From Mr. P. Langford.

Sir,—In the Financial Times on July 30 your Legal Staff state that in the case of a sale of a flat in Spain by (presumably) a U.K. resident to another U.K. resident "though it will require Exchange Control permission for the purchaser, it is not a transaction which would go through the currency market."

While this may be true in the case of a property that has been purchased through the investment currency market, it is not true in the large number of cases where the property has been purchased while, for example, the U.K. resident was living and working abroad. In such a case the Bank of England would require one of the parties to purchase in the investment currency market foreign currency equivalent to the total price at which the property is being transferred. In other words, the dollar premium would have to be paid.

If the property was purchased through the investment currency market, then the seller should be aware that the only way he can recoup the premium by adding it to the purchase price. This ought to be acceptable to a purchaser, as he will, under the present rules, obtain the benefit of the premium when he comes to sell, unless of course he also sells to a U.K. resident.

P. J. D. Langford,
31, Great Peter Street,
Westminster, S.W.1.

Roads in London

From Mr. A. Cornish.

Sir,—Like the chairman of "Movement for London" (July 29), I welcome the announcement by the Secretaries of State for Transport and Environment that the section of the national strategic roads network in east London is to receive a higher priority. Unfortunately, however, the plans to which they are currently committed will merely exacerbate the present serious deterioration, rather than relieve it.

Take for instance, the so-called M.11 link road from south Woodford to Hackney Wick. It is pure fiction. The critical section between south Woodford and Hackney Wick, which coincides with a section of the A.12 (Eastern Avenue), is scheduled for "improvement" but not to proper motorway standards, but to trunk standard. It

The closed shop

From the Prospective Liberal Parliamentary Candidate for Darlington.

Sir,—The enforcement of a closed shop policy by an affiliated trade union further extends the 1976 influence over the Parliamentary Labour Party. The closed shop is more than an extension of trade unionism—it is an insidious device for effectively achieving back door nationalisation. We must not allow the situation to develop in which the Socialist State is tantamount to becoming the sole employer, with the private sector dominated by the closed shop and the remainder of industry nationalised. The closed shop policy is an affront to the freedom of the individual and must be resisted by all who believe in true democracy. The closed shop places at peril our cherished ideal—freedom of choice, speech and the Press.

Jack Taylor,
Court Chambers,
2, Coniscliffe Road,
Darlington.

WHERE IN THE WORLD WILL YOU FIND STANDARD CHARTERED?

Up and down the Gulf. In Abu Dhabi, Dubai, Ras al Khaimah, Sharjah, Qatar, Oman and Bahrain. And with a multiple-branch service where you need to do business, not just a single branch like many banks.

As a British overseas bank, each of our UK branches can deal direct with any of our own twenty-one branches and offices in the Gulf, with no costly delays.

Wherever you have overseas business, you need a bank that's really part of the local scene. Ask Keith Skinner on 01-623 7500 to prove that point for you today and also ask about Standard Chartered's international merchant banking capabilities.

Head Office: 10 Clements Lane, London EC4A 7AB. Assets managed: £7,800 million.

ment, S.E.1.
e ON
General, industries
le on July 30

Exports boost Acrow to record £10.73m.

ing up from £3m. to half-time, pre-tax profits Acrow improved to a record £10.73m. ended March 31, 1977, up from £10.43m. to the first four months of the year the directors further substantial sales and earnings. The result was achieved enormous growth in exports to £5.8m. cent of the turnover. The 1976-77 takes £5.61m. including deferred tax (£1.33m.). In 1975-76 extraordinary credits

BOARD MEETINGS

The following companies have notified dates of Board meetings to the Stock Exchange. Such meetings are usually held for the purpose of considering directors' reports and accounts. They are available whether dividends concerned are interim or final and the subsidiaries shown below are based mainly on last year's timetable.

TO-DAY
 Interim—Adams and Gibbs, Barrow, Hepburn, Davies and Metcalf, East Lancashire, Fawcett, Fowler Holdings, Hoover, Jameson Chocolate, Madras, Tinsley, River and Mercantile Trust, Fisons—Borelli, Iva, Gurney, European Trust, John James, Malvern, Netherland Trust, Ransom, Revolut, Properties, Bernard Sunley Investment Trust, Wagon Industrial.

FUTURE DATES

Adams and Gibbs	Aug. 18
Ash and Walters	Aug. 18
Barron	Aug. 18
Bibby (J.)	Aug. 18
Colonial Securities Trust	Aug. 18
Draxton Commercial Investment	Aug. 18
Draxton Premier Investment	Aug. 18
Edinburgh and Dundee Investment	Aug. 18
First Scottish Investment	Aug. 18
Royal Dutch Petroleum	Aug. 18
Shell Eastern Investment Trust	Aug. 25
Shell Transport and Trade	Aug. 25
Financial	Aug. 25
Capital and National Trust	Aug. 25
Owen and Robinson	Aug. 25
Property Security Invest. Trust	Aug. 25
Rosslyn Properties	Aug. 25

Fredk. H. Burgess tops £2m.

ON TURNOVER UP from \$46.02m. to \$54.8m., profit of Fredk. H. Burgess improved from £1.78m. to £2.21m. for 1976, subject to tax of £0.25m. against £0.65m.

During the first six months of the current year, sales were in excess of £24m., say the directors, and this does not include Bannocks, which became a subsidiary during the period. They consider that it may be difficult to maintain these figures in the second half.

Farm machinery contributed £41.22m. to turnover and £2.8m. to trading profit of £3.07m. (£2.5m.). The figures for fuel oil were £7.1m. and £0.17m. respectively, and for building materials £3.45m. and £0.3m.

The final dividend is 0.75p the maximum permitted. The company is unquoted.

1976	1975	
Turnover	54,802,476	46,016,793
Trading profit	3,067,230	2,206,062
Director's remuneration	27,020	27,020
Interest	62,500	62,500
Share certificate	366,720	268,640
Profit before tax	2,970,530	2,506,222
Taxation	382,842	621,549
Net profit	1,947,688	1,884,673
Extraordinary	16,520	115,901
Dividend	50,588	42,960

SLATER WALKER SECURITIES

'A plan to salvage Britannia'

CLAIMING THAT the alternative is the liquidation of the company, Sir James Goldsmith, the chairman of Slater Walker Securities, yesterday posted proposals to shareholders and loan stock holders in Slater Walker which are designed to allow the two healthy elements in the company—its assets and investment management—to continue in business under their new name of "Britannia Arrow Holdings."

The scheme is conditional upon the loan stock holders' acceptance of a scheme for early redemption and cancellation of three categories of loan stock.

The directors propose that the whole of the outstanding loan stocks of the company, namely—£3,871,538 9 per cent. Unsecured Loan Stock 1991-96, £3,584,996 9 1/2 per cent. Partly Convertible Unsecured Loan Stock 1984, £8,707,787 1 1/2 per cent. Unsecured Loan Stock 1985 should be redeemed and cancelled for cash.

"The directors and their advisers have not considered it possible to allow more than £14.2m. to be used to redeem the sterling funds given the limited need to ensure a viable future for the on-going Group. The alternative to the Scheme is a liquidation and the Board has, therefore, concluded that this prospect must carry the greatest weight in their deliberations as to a fair allocation of the £14.2m. between the holders of each of the Loan Stocks who would rank pari passu with each other and the respective interest rates and redemption dates would confer no benefit. It would be of considerable importance to give some recognition to yield and redemption dates in finally arriving at the proposed redemption prices, since these factors would be of considerable importance in other circumstances.

"The proposed redemption prices are as follows:—for every £100 nominal of 9 per cent. Stock 1991-96, £75; £100 nominal of 9 1/2 per cent. Stock 1984, £77; £100 nominal of 1 1/2 per cent. Stock 1985, £80; and so in proportion for any greater or less nominal amount of the relevant Loan Stock. Interest will also be paid up to and including the Effective Date."

The second part of the scheme involves the sale of Slater Walker Ltd. (SWL), the group's troubled banking subsidiary to the Bank of England for £3.5m. The remaining group's position will be further bolstered by the sale of SWL of assets for a total of about £20m. and by the sale of tax losses to SWL for another £2m. The group will then be free of obligation to inject any further cash into its former banking business.

In order to provide further funds for the redemption and cancellation of the loan stocks, the

group will sell to SWL two freehold properties, 109, Peter Lane, London, E.C.4. and land at Wokingham in Berkshire, for an aggregate consideration of £5.5m. and SWL will assume responsibility for the repayment of an existing mortgage of £7.5m. on 100, Peter Lane. The group has also agreed to sell to SWL its Convertible Note in Company, Equities Limited, a U.S. company, at its par value of \$50,000, and has guaranteed the payment of principal and interest on this note. It is intended to retain the proceeds of sale of this note to satisfy foreign currency liabilities of the group. In addition, the company has agreed to surrender or to procure subsidiaries to surrender to SWL sufficient tax losses to eliminate SWL's taxation liabilities in respect of accounting periods ended between December 31, 1976, and December 31, 1976, in consideration of a group relief payment of £3m. to be made by SWL.

In order for these proposals to become workable, the directors say, the loan stock offers must be unconditional by October 31, 1977, and shareholders must approve of the scheme at an extraordinary meeting to be held on August 26.

In presenting the scheme to shareholders, the Slater Walker Board explains the financial pressures on the company that have led to the proposals. The directors say that they have been following the policy of realising the group's investment portfolio and properties recovering the loan portfolio of its banking subsidiary, Slater Walker Limited, and heavy liabilities. During 1976, in the first six months of 1977, the Group disposed of properties for an aggregate price of £24.6m. (£25.5m. in 1977) and sold investments for £11.4m. (£2.2m. in 1977). Furthermore, since January 1, 1976, the Group purchased or redeemed £22.0m. in nominal amount of debt for an aggregate consideration of £14.6m. and tendered group liabilities totalling £22.4m. to be redeemed.

"The Board has concluded that further far-reaching steps have to be taken to place the group on a firm footing. There are still a large number of low-income and non-income producing assets, which is an investment in SWL which the group has not been able to realise under current market conditions. Although the group's insurance investment management company has given certain divisions currently operating profitably, in 1976 the group made

a loss of £4,212,393 before taking account of exceptional items, extraordinary items, taxation and the Board's final decision as to what additional provision may be made against the book value of the group's investment properties. Losses have continued in 1977 at a similar rate and are likely to do so in the immediate future unless the present proposals are implemented.

"In order to fund these recurring losses and meet the Group's obligations as they fall due it would be necessary to sell further assets. An immediate sale of the group's remaining assets in the market would result in a substantial deficiency on their book values, in excess of the existing provisions. Furthermore, under the arrangements entered into with the Bank of England in 1975, the Company undertook certain obligations, namely, to inject up to £25m. of new capital into SWL. "The group is also faced with the problem of restricting its borrowings to the limits contained in its sterling loan stock trust. The limits have not yet been breached but such a breach will almost certainly take place. If this occurs and the relevant loan stocks are declared to be immediately repayable, they and most of the group's other loans, will become immediately repayable. In such a situation there would be no alternative but to put the company into liquidation. In the event of a forced sale of the group's assets, they would be sold for very substantially less than their book values. Loan stockholders and most other unsecured creditors would not be repaid in full and shareholders would not receive any return.

Given acceptance of the scheme, the Board will continue its policy of realising assets and of using the proceeds, where possible, to reduce the remaining term borrowings. In this context the Board expects that the company will be able to offer to holders of outstanding foreign currency investments the opportunity to tender their bonds at appropriate prices. It is intended that the size of the Board of the company should be reduced to reflect the reduced scale of the group's business. The support of the Bank of England is still a large number of low-income and non-income producing assets, which is an investment in SWL which the group has not been able to realise under current market conditions. Although the group's insurance investment management company has given certain divisions currently operating profitably, in 1976 the group made

Rowntree employees' share options

Applications from U.K. employees of Rowntree Mackintosh for options to purchase shares in the company totalled over one-third more than the 1m. shares on offer.

The applications came from 2,000 employees, about 20 per cent. of those eligible, and totalled £5,568,046 against the granted option value of £2,604,818.

Each application, above the permitted minimum of £240, has been scaled down by 25 per cent. The options granted were based on the Rowntree Mackintosh share price on July 21 of 288p per share.

Western Canada Inv. increases

Gross revenue of the Western Canada Investment Company for the year to June 30, 1977, rose from £125,831 to £149,820.

Stated earnings per 25p share are ahead from 13.7p to 16p, and the net final dividend of 12p lifts the total from 13p to 16p.

Net asset value is shown as 704p (614p).

ANGLO-AMERICAN SECURITIES

Anglo-American Securities Corporation has purchased for cancellation a total nominal amount of £82,672 of its 4 per cent. convertible unsecured loan stock 1988 at a price of £282 per cent. The company will be prepared to make further

Applications from U.K. employees of Rowntree Mackintosh for options to purchase shares in the company totalled over one-third more than the 1m. shares on offer.

Trust investment

gross revenue of £124,634 for the first half and net profit was up to £63,032 after tax against £28,451.

per 20p income share to be 1.23p (1.04p) and interim dividend 0.9p for the previous year totalled 2.40p and net profit was up to £63,032 after tax against £28,451.

EUROPEAN INVESTMENT BANK

Luxembourg

RM 150,000,000.—

% Deutsche Mark-Bearer Bonds of 1977/1989

6% p.a. payable annually on August 1, 99% on August 1 of the years 1982 through 1989 in eight equal instalments by drawing of series by lot at par.

Frankfurt am Main, Berlin, Düsseldorf, Hamburg and Munich

Deutsche Bank Aktiengesellschaft	Dresdner Bank Aktiengesellschaft	Banca Commerciale Italiana	Banque Populaire Suisse S.A. Luxembourg
Commerzbank Aktiengesellschaft	Westdeutsche Landesbank Girozentrale	Kreditbank S.A. Luxembourggoise	Swiss Bank Corporation (Overseas) Limited
Amsterdam-Rotterdam Bank N.V.	Union Bank of Switzerland (Securities) Limited	Swiss Bank Corporation (Overseas) Limited	
Suisse White Weid			
Bank Nederland N.V.	Allgemeine Deutsche Credit-Anstalt	Allied Irish Investment Bank Limited	
aus H. Aofhäuser	Banca Nazionale del Lavoro	Banco di Roma	
är Gemeinwirtschaft	Banque Arabe et Internationale d'Investissement (S.A.L.L.)	Banque Bruxelles Lambert S.A.	
o Générale du Luxembourg S.A.	Banque de l'Indochine et de Suez	Banque Internationale à Luxembourg S.A.	
o Nationale de Paris	Banque de Paris et des Pays-Bas	Bayerische Hypothek- und Wechsel-Bank	
sche Vereinsbank	John. Berenberg, Gossler & Co.	Berliner Bank Aktiengesellschaft	
Handels- und Frankfurter Bank	Centrale Rabobank	Crédit Commercial de France	
Lyonnais	Coöp. Centrale Raiffeisen-Boerenleenbank B.A.		
Europe N.V.	Creditanstalt-Bankverein	Credito Italiano	
ik	Dän Danske Bank af 1871 Aktieselskab	Deirbrück & Co.	
Genossenschaftsbank	Deutsche Girozentrale — Deutsche Kommunalbank	Deutsche Unionbank G.m.b.H.	
nbank-Warburg	First Boston (Europe) Limited	Robert Fleming & Co. Limited	
ment des Banquiers Privés Genovais	Hardy-Steinmeyer Bank G.m.b.H.	Georg Haack & Sohn	
nuel & Co.	The Industrial Bank of Japan (Luxembourg) S.A.	Kjebenhavn Handelsbank	
ort, Benson	Kuhn Loeb & Co. Incorporated	Kuwait Foreign Trading Contracting & Investment Co. (S.A.K.)	
International Investment Co. s.a.l.	Kuwait Investment Company (S.A.K.)	Bankhaus Hermann Lampe Kommanditgesellschaft	
Frères et Cie	Lazard Frères & Co.	Merrick, Finck & Co.	
Lynch International & Co.	B. Metzler soel. Sohn & Co. Limited	Morgan Grenfell & Co. Limited	
ko Securities Co., (Europe) Ltd.	Nomura Europe N.V.	Sal. Oppenheim Jr. & Cie.	
anken	Retoschel & Co.	Gebr. Röschling Bank	
tschild & Sons	Salomon Brothers International Limited	Schröder, Münchmeyer, Hengst & Co. Limited	
nk	Société Générale	Société Générale de Banque S.A.	
tschaft	Trinkaus & Borckhardt	Vereins- und Westbank Aktiengesellschaft	
sin		Westfälische Bank Aktiengesellschaft	
amburg-Strinckmann, Wirtz & Co.	S. G. Warburg & Co. Ltd.	Yamaichi International (Europe) Limited	
is, Glyn & Co.			

Surplus capacity at Cooper Industries

THE CONTRIBUTION from associates jointly owned with F. H. Lloyd dropped from £0.38m. to £0.2m. but pre-tax profit of Cooper's associates from these operations amounted to £265,000 for the year. This suggests that there must have been losses in other associates, probably on the steel stockholding side, since the total associates' contribution is only £287,000. Most of the surplus capacity has already been discounted in the share price, however. At 11p they are less than twice stated earnings and offer a yield of 11.3 per cent.

Baring Bros. higher in first half

The directors of Baring Brothers report that unaudited profits for the six months ended June 30, 1977, indicate that profits were higher than those for the corresponding period in 1976.

DIVIDEND AMENDMENTS

Chubb and Son: Final 2235p. There will now be no need to pay the deferred final referred to in the report.

Land Securities Investment which it sold in 1975. With J.C. Trust: Supplementary final dividend of 0.6p for 1976-77 will be paid with the interim dividend for 1977-78.

Morgan Gramplan: Additional dividend 0.09 per cent., payable August 22.

General Electric Company—Final 1.802p making a total of 3.622p for year to March 31, 1977.

REFUGE ASSURANCE COMPANY LIMITED

HALF-YEAR STATEMENT 1977

First 6 Months 1977	First 6 Months 1976	Year 1976	
£'000	£'000	£'000	
ORDINARY BRANCH			
New Sums Assured	35,822	31,740	64,338
New Annuities per annum	347	254	495
New Premiums per annum	1,248	1,024	2,135
New Single Premiums	316	310	584
INDUSTRIAL BRANCH			
New Sums Assured	52,505	47,788	90,069
New Premiums per annum	3,442	2,999	5,712
GENERAL BRANCH			
Total Premium Income	2,110	1,826	3,583

REFUGE ASSURANCE COMPANY LTD

Chief Office: OXFORD ST. MANCHESTER M60 7HA

Please a Princess

FROM ONLY £22-62 PER WEEK




Leasing can:
 * Reduce capital outlay
 * Improve cash flow
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We can offer you:
 • 20 years experience • flexible contracts
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 Edinburgh Leicester
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AECI LIMITED

(Incorporated in the Republic of South Africa)

Directors: H. F. Oppenheimer (Chairman), Dr. A. Spinks (Deputy Chairman), Alternates: R. B. Richards, D. N. Marvin (Managing Director), R. A. Webb (Deputy Managing Director), Sir Keith Acutt, K.B.E., Alternates: Dr. M. G. M. Atmore, S. A. G. Anderson, G. C. Fletcher, M.C., F. J. K. Hillebrandt, Alternates: Dr. P. J. P. Roberts, A. C. Munday, C. W. H. Rilly, E. J. Smale, W. R. Stephens, G. M. Thomas, J. Ogilvie Thompson, W. V. van der Byl, J. P. Wapenaar, W. H. Wishart, D. J. Wood.

INTERIM REPORT FOR THE HALF YEAR ENDED 30th JUNE 1977

1. Trading results
 The Directors announce the unaudited trading results of the Group for the six months ended 30th June 1977 as follows:

Year	1976	1977	
First half	First half	First half	
R millions	R millions	R millions	
456.4	218.6	Group sales	288.2
59.1	34.5	Profits before taxation	25.2
19.2	9.6	Less: Taxation	8.7
40.0	14.9	Profits after taxation	16.5
7.6	2.0	Less:	2.6
6.5	1.4	Tax savings arising from investment allowances transferred to non-distributable reserves	2.1
1.1	0.6	Attributable to Preference shareholders and minority shareholders of subsidiaries	0.5
32.4	12.9	Attributable to AECI ordinary shareholders	13.9
30.7c	11.8c	Earnings per ordinary share	9.4c

2. Dividends
 Preference dividend No. 78 at the rate of 5.5 per cent. per annum for the six months ended 15th June 1977 has been declared and paid.

The Board has declared an interim ordinary dividend of 9 cents per share (1976-9 cents).

3. Comments
 Group sales for the six months ended 30th June 1977 totalled R288.2 million, an increase of 31.8 per cent. over the corresponding figure for 1976. The 1977 figure includes the sales of South African Nylon Spinners (Pty) Limited (SANS) which became a wholly owned subsidiary on 1st January 1977. Sales other than those of the SANS group increased by 13.5 per cent. over the sales of the first six months of 1976. Group profits before taxation for the half year at R25.2 million showed an increase of 2.9 per cent. over the 1976 figure. Group profits attributable to ordinary shareholders at R13.9 million (1976-R12.9 million) rose by 7.8 per cent. Earnings per share based on the increased number of shares in issue, following the rights issue to finance Coalplex and the purchase of SANS, reduced from 14.8 cents to 9.4 cents.

The volume of sales for the six months was slightly lower in total than for the corresponding period in 1976. Sales volumes of explosives and agricultural products were significantly higher but in most other product areas were lower, reflecting the state of the South African economy and, in particular, the depressed conditions in the building, furniture, motor and textile industries.

As forecast, most of the problems associated with the Modderfontein ammonia plant are steadily being resolved and the performance during the period showed a significant improvement both in volume and efficiency. The higher output has not only made it possible to satisfy in full the local demand for ammonia but some 30,000 tons of urea have been exported. The Board has recently authorised the building of a 208,000 tons per annum nitric acid plant at Modderfontein. This plant will bring into balance the production of the ammonium conversion plants on that site and will put AECI in a position to satisfy in full the demand for explosives and its share of the Litrogenous fertiliser market for some years.

The Coalplex project at Sasolburg continues to progress on schedule and within the capital estimate approved. All plants in the complex are expected to be in production before the year end.

World prices for phosphoric acid have remained depressed and it is expected that Triomf Fertiliser (Pty) Limited, in which AECI has a 49 per cent. interest, will trade at a loss for the year. Triomf's shareholders have agreed to inject an additional R8 million into the company, of which AECI's share is R3.92 million and it is probable that the shareholders will have to inject further funds into the company. Even if prices remain at the present depressed levels over the next few years however and without allowing for any revenue which may accrue to Triomf from current litigation, AECI's additional commitment in this regard is not expected to exceed R15 million. The AECI Board remains of the opinion that the phosphoric acid market will improve in the years ahead and that the Triomf Richards Bay project will be viable.

Prospects for the second half of 1977 depend largely on the rate at which the South African economy recovers, the Group being well placed to benefit from any upturn. Present indications are that profits for the year should be similar to those achieved in 1976.

On behalf of the Board
 H. F. OPPENHEIMER
 D. N. MARVIN
 Directors

Transfer Secretaries:
 Consolidated Share Registrars Limited,
 62 Marshall Street,
 Johannesburg 2001

Charter Consolidated Limited,
 P.O. Box 102, Charter House,
 Park Street, Ashford, Kent
 TN24 8EQ, England
 3rd August 1977

Registered Office:
 16th Floor, Office Tower,
 Carlton Centre,
 Johannesburg 2001

MINING NEWS

Gold Fields' £26m. U.S. industrial move

BY KENNETH MARSTON, MINING EDITOR

A MAJOR expansion into the U.S. building materials industry subsidiary, Rio Tinto Rhodesia, is being undertaken at a cost of \$45m. (£25.5m.) by the U.K.-based Consolidated Gold Fields mining and industrial group. It is to acquire from the Rio Tinto Rhodesia subsidiary of America's Mobil Corporation the Hydro Conduit Corporation which last year made a profit of \$7.2m., before making a loss of \$30,000 in tax and financing charges, on a turnover of \$77m.

Hydro is a leading U.S. manufacturer of concrete pipes and asphalt, a major road building contractor and significant interests in sand and gravel, precast and ready-mixed concrete. It operates 19 concrete pipe plants throughout the western and southern United States. The move is to be made by Gold Fields' Amey Roadstone Corporation of America subsidiary and will be financed by borrowings. It is stated that the value of the assets being acquired, after independent valuation of the land and buildings, is expected to be at least in line with the consideration being paid.

The acquisition of Hydro is a further step in the U.K. Amey Roadstone Corporation's policy of expansion into international markets for construction materials and civil engineering. In 1974 the group acquired Cement Products Corporation of Florida and in 1976 it bought the Kyle company of Georgia, both being producers of concrete products.

Gold Fields says that such investment will continue in North America and that opportunities will also be sought by ARC for expansion in other parts of the world. Gold Fields were 157p yesterday.

RTZ RHODESIA IN A DECLINE

Lower profits for the first half of 1977 and the warning of a "further deterioration" in nickel and copper prices in the current half-year come from the Rio

Tinto-Zinc group's Rhodesian subsidiary, Rio Tinto Rhodesia, reports our Salisbury correspondent £200,000. First-half profits have fallen 6 per cent. to the equivalent of £200,000.

The RTZ also confirms that it has suspended its chrome operations which have lost £370,000 in the first six months of 1977 after having made a loss of £350,000 in the previous 12 months to December 31st.

It was decided to suspend the chrome activities as from June 30 last following the virtual completion of the pilot development programme and in view of the depressed state of the metal market and the "serious decline" in the price of chrome.

In his annual review earlier this year, the previous chairman of RTZ, Mr. R. S. Walker, said that "the greatest hope" for expansion in the immediate future was the group's chrome project.

RTZ comments that while its gold and emerald operations had another good quarter in June, the lower profits from its mainstay operation, Emuashan Nickel Mine, allied with the problems of its industrial subsidiary resulted in the reduced group profits for the half-year.

Hudbay's big cash flow

THE CLOUDS lifted over Hudson Bay Mining and Smelting last quarter. Net earnings of the Anglo-American Corporation's Canadian offshoot amounted to \$Can.7.97 (\$41.1m.), or 76 cents per share, before extraordinary items. This compares with a loss of \$Can.274,000 for the first quarter.

The latest quarter's extraordinary items consisted mainly of the big gain on the sale of the Sylvite potash division to the Potash Corporation of Saskatchewan on April 22 and amounted to a net \$Can.52.36m. after taxes. These items thus raised Hudbay's net earnings for the first half of the

GMK making a 'gold price' rights issue

A RIGHTS issue of one share at 25 cents (16.1p) for every three held is proposed by Australia's Gold Mines of Kalgoorlie which recently wrote off \$44.5m. of share capital thereby reducing the par value of its shares from \$A1 to 25 cents. Yesterday's London cum-premium price of the shares was 38p.

The company, which currently has no cash source and which reports an operating loss of \$A95,000 for the year to June 28, has its hopes pinned to the 24 per cent. indirect interest in the Mount Charlotte gold mine in Western Australia. The mine is run by Kalgoorlie Lake View with a 52 per cent. stake. America's Homestake holding the remaining 48 per cent.

KLV is owned as to 47 per cent. by GMK, 48 per cent. by Western Mining, 6 per cent. by Western Mining. GMK says that the rights issue to provide funds for ongoing expenses in anticipation of eventual dividends from KLV and to reduce the issue from Western Mining to \$A500,000 from approximately \$A650,000.

Western Mining, which holds 31.7 per cent. of GMK, says that it will take up its full entitlement in the rights issue. From GMK's point of view, the issue may be a final gamble on a rise in the gold price; the company is "optimistic that it will strengthen further."

Mine disaster in Mozambique

ABOUT 150 miners were trapped and feared dead yesterday after an explosion in a coal mine in central Mozambique and nine foreigners were killed in subsequent rioting at the mine, according to Radio Mozambique.

The radio message said that rescue operations were under way and troops had been sent to restore order at the Chimpan mine. The explosion occurred in Tete Province about 720 miles north of the Mozambican capital of Maputo.

The radio gave no details of how the foreigners were killed but it said they died in "erratic" circumstances. It said that the explosion had killed nine and injured 150, being of "different nationalities."

MINING BRIEFS

MOUNT ISA MINES - Production for the first half of 1977 was 10,111 tonnes, compared with 10,111 tonnes for the same period in 1976. The company's production for the first half of 1977 was 10,111 tonnes, compared with 10,111 tonnes for the same period in 1976.

WALLEN CONSOLIDATED - The first half of 1977 production was 188 tonnes (June 1st to 30th).

17% OF WEARWELL TO BE SOLD

In a letter to holders of Wearwell, Mr. Asif Nadir, chairman, refers to the proposed sale of 17 per cent. of the company's shares. He says that he has arranged the sale of 17 per cent. of Wearwell Ordinary shares from an investment company in which he owns the majority of the equity.

He has procured that a substantial part of the proceeds have been lent, unsecured and free of interest, to Wearwell to improve its liquidity, but in the event of insolvency any business needs could be met by the sale of the company's assets. The results for the year to April 29, 1977, indicate that trading was profitable, but unlikely that a dividend will be recommended.

The company has developed a close relationship with Strong, Macfarlane and Fisher, the principal supplier of suede and leather, and to give further substance to this have invited Mr. Richard Strong, managing director of Strong and Fisher, to join the Wearwell Board.

Strong holds no shares in Wearwell but has agreed to subject to approval to subscribe £144,000 for 1.2m. New shares in Wearwell. Wearwell is to be financed by the sum of £144,000 and proceeds of this subscription will be used to extinguish this debt.

Strong has agreed to extend credit terms to Wearwell to increase future business between the companies. This shareholders will receive just under 10 per cent. of the enlarged capital and the Board considers that, apart from commercial advantages of the transaction, the additional volume of leather supplies will assist Wearwell to expand the export trade upon which the Board is placing a growing emphasis.

MACFARLANE BUYS FULLARTON

Macfarlane Group (Classman) has acquired the capital of A. and W. Fullarton for £232,500. The consideration comprises £227,250 cash and 114,000 Ordinary shares issued at 57p.

Fullarton manufactures packaging cases and cartons mainly for the whisky and computer industries. Net assets at July 31 were £309,000 and pre-tax profits for that year are warranted to be not less than £98,000, prior to charging directors' emoluments of £49,000. It is expected that pre-tax profits for the following year will be in the region of £100,000.

BIDS AND DEALS

Babcock ends talks with Butterfield

THE MARKET capitalisation of Butterfield-Harvey dropped £1m. yesterday on news that engineers Babcock and Wilcox would not be making an agreed bid for the 50 per cent. of B-H it does not already control.

The Butterfield shares closed 7p down at 51p, valuing the company at £7.3m., after reaching a low point for the day of 49p. All this compares with a price of 41p prior to the announcement a month ago that the two companies were having talks.

Yesterday's announcement simply ended discussions which have been held between the directors of Babcock and Wilcox and Butterfield-Harvey to see if a price, acceptable to both parties, could be agreed at which Babcock and Wilcox would bid for Butterfield-Harvey. These discussions have now terminated without agreement.

BLACK ARROW SELLS TWO DIVISIONS

Black Arrow Group has sold its Newcastle and Carlisle electrical wholesaling divisions to a newly-formed company, Triforest, which will trade as Beaumonts, for £250,000.

During the year to March 31, 1977, the two divisions contributed £19,000 to group net profits before tax and interest. Black Arrow will purchase 25 per cent. of the equity in Triforest for £25,000.

SGB DUTCH ACQUISITION

SGB Group's international construction equipment and services group, has acquired the total net assets of M. Custers Machinefabriek, Holland's leading manufacturer of vehicle-mounted and self-propelled hydraulic plant, for a total purchase price of £400,000.

The acquisition, made through Building Equipment Europe, marks a further step in SGB's programme of expansion and diversification in Western Europe. The group already has operating companies in Holland, W. Germany, France and Spain.

Mr. Stuart Henderson, an SGB director, says that Custers' hydraulic systems are widely used and the company manufactures special hydraulic fire-fighting platforms. These products complement the existing range of SGB access equipment and "afford excellent opportunities for export to international markets."

ASSOCIATES DEALS

Casevone and its associate, Marthe, have sold 140,000 shares in the company to an associate of Matthews, Rowe and Pitman Hurst-Brown.

OLIVER JESSEL TO KEEP HIS 27% DOLAND STAKE

Mr. Oliver Jessel does not intend to accept the offer by Maurice James Industries for his shares in George Doland, the tallies and outbills.

Mr. Jessel, director of companies which now own 27 per cent. of Doland, said yesterday, "I am quite happy with my stake." He considered the offer of 24p per share inadequate and would like to receive 25p, a total interest in the company of 10p of the 24p offer. He plans no counterbid himself.

Mr. Jessel revealed that his average purchase price of the Doland shares was about 22p, compared with a range of mid-market prices this year of 14p to 22p. He said that he was looking to the asset value per share of 23p along with the progress which the company is making in pulling round George Doland.

HAT EXPANDS

H.A.T. Group, specialist subcontractors and suppliers to the building industry, announced the acquisition of the firm of Ellis Pearson and Co., the good will and assets necessary to continue the business of Ellis Pearson. Consideration for the deal was £100,000 cash.

The business to be known as Pearson Glass will be based in Sheffield and trade as "glazing contractors and suppliers of glass and aluminium products." The acquisition is part of the expansion to the glass division of H.A.T.

HALL & EARL

THE FIRMAL offer documents on behalf of Readson for Hall and Earl, a subsidiary of Readson, are being issued. Readson is offering 2p cash for every 2 Ordinary of H and E.

Unaudited results of H and E for the year ended March 31, 1977, show group turnover of £12,350,352 (£9,141,281), and pre-tax profit of £707,195 (£520,101) after deducting loss in overseas subsidiaries of £289,971 (nil). Tax takes £498,287 (£227,954).

GALLENKAMP

The directors of Gallenkamp, the scientific instrument company which is subject to an agreed bid for the company, announced that pre-tax profits for the year to June 30, 1977, were approximately £5m. compared with £3.8m. for the previous year. Sales increased by about 8 per cent. This information was disclosed in the following document posted to Gallenkamp shareholders yesterday.

MOORE/LAMSON

The scheme document relating to proposed acquisition by Moore Business Forms, a wholly owned sub of Moore Corp., of Franchise Capital of Lamson Industries, has been despatched to shareholders. As known, terms are 70p cash for each 6 per cent. cum. pref. of Lamson.

SHARE STAKES

Negretti and Zambra: The shareholding of Mr. P. A. Negretti and family has been reduced by 97,650 Ordinary shares on the transfer of shares to his adult children. Mr. P. A. Negretti and family now hold 170,817 Ordinary shares (84 per cent.) and 2,172 Ordinary shares as trustee (non-beneficial) (0.10 per cent.). George Doland: Cotel Trust has purchased a further 10,000 shares.

Vosper soars at half year before nationalisation

INCLUDING the results of Vosper-Thornycroft (U.K.) and Vosper Shipbuilders, which both passed into public ownership on July 1, 1977, Vosper Ltd. shows pre-tax profit for the half year to April 30, 1977, nearly doubled from £2.34m. to £4.54m. Turnover was up £3.9m. to £48.78m.

The company's main operating unit is now Vosper Private, in Singapore, which the directors state is trading very satisfactorily and a number of proposals are under consideration for its expansion.

Further acquisitions, both in the U.K. and overseas, are also being examined but the Board is somewhat limited in what it can do until it has a clearer indication of the compensation figure for the business nationalised. Even so, the directors remain optimistic about the company's future. Sir David Brown, the chairman, says: "Preparation of the company's claim for compensation is nearing completion. The business is currently producing profits at a rate of £5m. a year and in the opinion of the directors the current value of that business is in excess of £25m."

Future prospects for its continuing growth look very promising as evidenced by the fact that on existing day contracts for sales worth about £50m. were in detailed negotiation. It is against this background that the company and Government will open negotiations, the chairman comments.

Stated earnings per 25p share for the half year jumped 20.27p to 37.47p and the net interim dividend is lifted to 2.25p (2.0625p) absorbing £138,655 (£124,500). The interim includes, following the change in the tax rate, an additional dividend of 0.031875p as adjustment of the final 2.07125p already paid for 1976-77.

At April 30, 1977, net tangible assets per share were 388p against 358p at October 31, 1976. Sir John Rix, who was managing director and chief executive of the former group, is to act as chief executive of the nationalised Vosper companies. The directors state that they agreed to his release, at the request of British Shipbuilders, as they recognised the importance of the continuity of management during the transition from private to public ownership.

In order to avoid any possible conflict of interest, Sir John will resign from the Boards of Vosper Limited, Keith Nelson (Hull) and Vosper Shipbuilders on August 4, 1977. He will, however, retain his directorship of David Brown-Vosper (Offshore) and his services will still be available to the company in an advisory capacity.

Mr. George Read, chairman of Peterborough Motors, feels confident that the company will once more achieve record results in 1977-78 with the first few months of the current year well up to expectations and exceeding the same period of 1976-77.

As reported on July 28, pre-tax profit for the year ended March 31, 1977, expanded from £487,148 to a record £571,708, an increase of £84,560 (£19.30m). The dividend is lifted to 2.187p (2.01p).

On group trading Mr. Read says that more than half of profits, as in the past, are earned by the company's industrial, agricultural

Table with 2 columns: Item, 1976-77, 1977-78. Rows include Turnover, Profit before tax, Net profit.

Mr. Armstrong stands during the year further price increases took place. The price of coffee so far this year has exceeded \$4.00. In the last few years it has risen from \$500 per cwt. The second half saw a decrease in the production of particularly Camp Coffee and the additional sale butted substantially improved trading position.

The following director's statement is published in company at June 30, 1977. D. A. Jenks (20.07 per cent.), R. D. Jenks (12.19 per cent.), M. J. C. Jenks (12.01 per cent.), and Mr. G. E. Coles (2.01 per cent.).

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of them come from the part which is going to be nationalised. The game now is, guessing how much the Government will pay out in compensation and what will happen to the company thereafter. On a strict interpretation of the Act nationalising the shipbuilders, Vosper reckon they would only get about £18m. But the improvement in profits from shipbuilding subsequent to the nationalisation is far demanding more. Nevertheless the punters who are going for a higher compensation figure followed by, say, a take-over, may have a long time to wait. If Vosper and the Government cannot agree, the dispute could go to lengthy arbitration procedures. Meanwhile the maximum yield at 145p is 4.9 per cent.

The chairman adds that the group is very strong and has adequate cash facilities to meet its needs and support the expansion.

The group's finance has been of great value to Mr. Read says, so that if maintained within the lessening the need for finance.

Capital expenditure has been contracted for further £210,000 has authorised. A statement of sou of funds shows a decrease in bank bal of £482,542 (£164,380 increase). Meeting, Peterborough 25 at 3 p.m.

Nervousness in the market and the price which at present has decreased around £2,500 per ton, the uncertainties which difficult to forecast, res. Mr. W. Armstrong, the of R. Paterson and Son, annual statement. However, the second half of 1977-78 has continued directors are hopeful of profits for the current year.

As reported on June 28, profits were £40,420 to £4,48m. in the March 28, 1977, and the is lifted from 2.075p to 2.187p.

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Extracts from the Interim Statement for the six months ended 30th April 1977

Table with 3 columns: Six Months ended, Year to 31st, 1977, 1976, 1977. Rows include Turnover, Profit before tax, Taxation, Profit After Taxation, Revaluation of Investments, Dividends, Earnings per share, Net tangible assets per share.

* The figures for the six months ended 30th April, 1977, have been prepared on the same basis as previously, pending completion of negotiations on compensation terms, and therefore include the profits of Vosper Thornycroft (UK) Limited and Vosper Shipbuilders Limited, which companies passed into public ownership on 1st July, 1977.

* The Company's Shipbuilding and Shiprepairing business in the United Kingdom was nationalised on the 1st July, and the preparation of its claim for compensation is nearing completion.

In contrast to the industry generally, the business which has passed into public ownership has shown a continuous record of growth over the past 10 years (most of which has been derived from exports) and is currently producing profits at a rate of £6m per annum. In the opinion of the Board, the current rate of that business is in excess of £25m. The future prospects for its continuing growth look very promising indeed, as evidenced by the fact that on Vending Day contracts with total sales values of approximately £500m were in detailed negotiation.

It is against this background that the Company and the Government went into negotiations and it is to be hoped that the Government will honour its undertaking to pay fair compensation to the Company by taking these relevant factors into account. Shareholders may therefore rest assured that the Directors will take all possible steps to negotiate fair compensation.

A SUBSIDIARY OF DAVID BROWN HOLDINGS LIMITED

Progressive Securities Investment Trust Limited

Statement by the Chairman

Gross revenue of £124,678 for the year ended 31st March, 1977 compares with £131,752 for the previous financial year and net revenue after tax is £60,160 as against the £65,733 recorded in the financial year to 31st March, 1976. As you will see from the revenue statement, actual investment income is higher as we were fully invested for most of the year and in consequence supplementary income from deposits, etc., is lower. I propose to recommend the same final dividend as last year of 1.75 pence making 2.5 pence for the year and to carry forward £4,092 to our revenue reserves.

Net assets before deducting loan capital are £2,131,936 against £2,232,594 for 1976. After allowing for loan capital, net assets per share were 92.8 pence compared to 97.3 pence for the previous financial period. This downward movement of 4.5 per cent. compares with changes to leading indices over the same period of minus 6.03 per cent. for the Dow Jones Industrial Index, plus 4.2 per cent. for the F.T. 30 Share, and plus 7.2 per cent. for the F.T. All Share. In effect, considering that almost 70 per cent of our assets are employed overseas through the medium of investment currency premium, it compares favourably with the performance of trusts with a large proportion of assets employed abroad.

Next year will be the 50th anniversary of the company from which Progressive derives its origin. The bulk of our portfolio is now in the U.S.A., in selected equities of high quality. We hope it will not be too long before an improvement in business there will benefit our investments both from a capital and income point of view. The problems facing that great country, although complex and varied, are by no means insurmountable. In many other countries of the world the effect of political changes is unpredictable but we feel justified in taking a long view in America. As long as we have to face the penalty of surrender of premium we have to be sure that our investments are in an area where free enterprise and political stability go hand in hand.

Advertisement for Allied Retailers Limited, featuring Allied Carpets and Williams. Includes a table of financial results for 1977 and 1976, and extracts from the Chairman's statement.

HOME NEWS

Asda stays second low-prices league

DR. GOODMAN, CONSUMER AFFAIRS CORRESPONDENT

ASDA retained its competitive edge over other supermarkets... For these reasons, some supermarkets say it does not give a completely fair picture of a for a second month...

Wind generators challenge nuclear power, inquiry told

BY BREACH

WIND generators feeding significant electricity into the grid by the early 1980s... Mr. Justice Parker, the inquiry chairman, asked whether such schemes might not claim many lives, as had been lost in the construction and maintenance of offshore machinery...

Price Commission plans study company efficiency

DR. GOODMAN, CONSUMER AFFAIRS CORRESPONDENT

PRICE Commission on freeze and make its judgments critically against a new set of flexible increases in sectors... For this reason, Mr. Williams' views on the commission's role and those of the other 15 commission members who met yesterday for the first time, are seen as particularly important...

Government intervention blamed for of investment funds

BY BLANDEN

GOVERNMENT intervention in the market... of a group involved on both sides of the capital market, as both a provider and a user of funds... It includes a merchant bank and a development capital company, with a particular reputation for its interest in the smaller company sector...

£1.7m. fisheries scheme

N CORRESPONDENT

THE FISHERIES policy factory is to be established nearby at Breaclete in a joint HIBD-Norwegian venture... A new company, Lewis Stoknes Ltd, has been set up with an authorised capital of £500,000, of which 75 per cent is taken in the form of equity by the Board and the remainder by the Norwegian fish drying company, Knut Stoknes...

New lease of life for the Mini

By Terry Dodsworth, Motor Industry Correspondent

LEYLAND CARS is laying the foundations for a long-term effort to keep the existing Mini alive beyond the introduction of the group's planned new small car... Further indications of the company's thinking on the car's future emerged yesterday with the announcement of a series of detailed improvements which have been accommodated within the new prices established last week...

Strategy

THE basic strategy for the future has already been put to the test with some success, on the Continent, where Leyland's assembly plant in Belgium has introduced changes which have taken the car well away from its old cheap, workhorse image... The company has managed to sell 40,000 vehicles already this year, 9.5 per cent up on last year's total...

Judgment on Packer plea likely to-day

By Michael Thompson-Noel

JUDGMENTS in the High Court actions brought by Mr. Kerry Packer and some of the cricket stars who have signed for his controversial Test series are expected to be handed down on Monday... In one action J. P. Sport, a company owned by Mr. Packer, is suing the Test and County Cricket Board, the International Cricket Conference and the MCC...

New talks on tax deal

DISCUSSIONS WERE resumed in London during July between officials representing the U.K. and Bangladesh about a proposed double taxation convention between the two countries...

COMPANY NOTICE

INTERNATIONAL DEPARTMENT GUARANTEE TRUST... NOTICE OF DIVIDEND PAYMENT... The directors of the company have resolved to pay a final dividend of 0.30 pence in respect of the year ended 31st December 1976...

BUSINESS AND INVESTMENT OPPORTUNITIES

READERS ARE RECOMMENDED TO TAKE APPROPRIATE PROFESSIONAL ADVICE BEFORE ENTERING INTO COMMITMENTS

GRESHAM TRUST LIMITED logo and text: Offers a wide range of banking services, including Selective finance for property development, Commercial and industrial loans, Bill discounting, Acceptance credits, Leasing, Permanent and long term capital for the successful private company...

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HOW TO MAKE YOUR FIRST £100,000 - anyone can do it! There's still only one realistic way to make a fortune: start and build up your own business. And now is exactly the time to do it...

RETAIL STORE CHAINS IN U.S. AVAILABLE FOR ACQUISITION. We have files on several chains of retail stores, for sale in the U.S. (Florida, California, Midwest). Sales range from 4 million dollars to 80 million. Products include clothing, cosmetics and department store items...

YOUR OFFICE IN LONDON. Maintain a London headquarters and improve the image and organisation of your business. A unique executive office facilities space has been established in the heart of Westminster to provide space for executives who need a London base but who feel that the capital expense normally involved in securing an office in London cannot be justified...

LARGE FACTORY FOR SALE. Situated at Truro, Cornwall. 19,600 sq. ft. plus additional office block annex in 2 acres of land. For outright sale at £68,000 with up to 75% mortgage for suitable purchaser. Or would consider lease or joint venture. Write Carey Contracts Ltd., Kernow House, St. Columb, Cornwall.

UK DISTRIBUTOR. Raytek, a division of Optical Coating Laboratory Inc., wish to appoint a distributor to market a range of temperature measurement products. This opportunity will interest organisations selling traditional temperature control equipment to process industries. For information and discussions please contact: Michael J. Hogg, Managing Director, OCLI OPTICAL COATINGS LTD., Hillend Industrial Estate, Dunfermline, Fife KY11 5JE, Scotland. Telephone: Dalgety Bay (0283) 823631

SPAIN. Swedish construction company offers to serious interested party take over of its Spanish subsidiary company. Ground with building permission in exclusive location near Madrid. Write Box F.558, Financial Times, 16, Cannon Street, EC4A 4BY

ACQUISITION OF U.S. HOTELS. We presently have several files of U.S. hotels managed by international chains which are for sale. \$2m. to \$5m. Down payment 25%. Traslinsk S.A., 160 Boulevard Haussmann, 75008 Paris. Tel: 766 0202

PRESTIGE CARS WANTED. TO ALL COMPANY DIRECTORS, TRAVEL MANAGERS AND PRIVATE CAR OWNERS. Are you obtaining the best price for your low mileage prestige motor-car? We urgently require Rolls-Royce, Mercedes, Cadillac, Jaguar, Volvo, P18, BMW, Porsche, Ferrari, Maserati, Lamborghini, Jensen, Convertible, Lotus, Triumph and Vaux cars.

BATTERY IMPORT BUSINESS. NI-CD (16Ah to 500Ah) rechargeable battery import business for U.K. includes exclusive agreement for U.K. and many overseas countries, stock, plant, sales literature, registered trademark and well known trade name in U.K. Present turnover £250,000. Applications only from those who have 3,000 sq. ft. warehouse facilities, have suitable personnel to handle the specialised line and are capable of an outlay of £80,000. Write Box G.419, Financial Times, 10, Cannon Street, EC4A 4BT.

WORKING CAPITAL REQUIRED. International Marketing Company to be based in London seeking a minimum range of electronic systems with high potential requires £100,000 capital. £25,000 minimum per investor. Write Box G.421, Financial Times, 10, Cannon Street, EC4A 4BY.

SPORTS EQUIPMENT. Major Scottish manufacturer with leading brands and full order book, available for sale or merger. Please reply to: SPORTSUNIT, 137 Beech Rd., Manchester, 14

IBM ELECTRIC TYPEWRITERS. Factory reconditioned and guaranteed by IBM. Buy, save up to 40 p.c. Lease 3 years from £3.70 weekly. Rent from £2.99 per month. Phones 01-641 2345

MR. RETAILER/DISTRIBUTOR. The stock was all there of that he was sure, but when finally carried he found that we were the edge that stock is as good as plain money is there if it's there, but plain, no funny. John Churchill & Co., "The Professional Stockists" 01-462 6237/8/9

A recently established RESIDENTIAL MOBILE HOME DEVELOPMENT COMPANY. urgently require a 100% finance facility to commence four well planned Park Development sites. £250,000 total. 6.5% over base rate acceptable. £100 consultancy payment made on each home. Write Box G.428, Financial Times, 10, Cannon Street, EC4A 4BT. Tel: 02392 3139.

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LITHO PRINT CO. FOR SALE. Turnover £50,000 p.a. Net Assets £22,000. Location: S.E. London. Lease on current premises now extends to an end. Principally only write Box G.413, Financial Times, 10, Cannon Street, EC4A 4BT.

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NIGERIA. A building company for sale operating in Lagos with plant, buildings, separate quota for S-Nigerian partner. Full particulars and accounts write Box G.414, Financial Times, 10, Cannon Street, EC4A 4BT.

RETAIL/CONTRACT FLOORCOVERINGS. Offices in West Yorkshire. Turnover £60,000 p.a. Five premises, various leases, well established. Invites Takeover/Acquisition offers. Write Box G.416, Financial Times, 10, Cannon Street, EC4A 4BT.

COMPANY. situated in the south east of England is actively seeking distributors for small/medium sized components used in the electrical/electronic industries. U.K. or foreign source. Adequate finance and premises available. Please write to Box G.416, Financial Times, 10, Cannon Street, EC4A 4BT.

What is a 72-6" FROG? What does SHAR stand for? FROG=Fast Turned-Adjustable Rods=Shank. SHAR=Shank-Adjustable Rods=Shank. Put these together and you have a winner. Next race is in 1980. Backer required. Write Box G.417, Financial Times, 10, Cannon Street, EC4A 4BT.

CONTRACT PRINTING. If you have a publication requiring high quality Webbs Offset printing on a Monday, Tuesday, Wednesday or Thursday, we have the capacity. Why not ask us to quote your rates? We'll be pleasantly competitive. Tel: Beria, Drennan or Norman Hamilton at 07-272 3010

PRIVATE COMPANY. established twenty-seven years with turnover of approximately two million wishes to acquire a controlling holding in a small Public Company. Preference given to companies in the engineering field. Write Box G.399, Financial Times, 10, Cannon Street, EC4A 4BT.

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CPA ADVISE ON CASH GRANTS. Under the Industry Act for expansion or modernisation of manufacturing companies. Colin Pym Associates Ltd., 148, Beakingsfield Road, London SW1 9TR. Tel: 01-730 4606.

NON-EXECUTIVE DIRECTOR AVAILABLE. So-M.D. with first class honours engineering degree and 20 years' highly successful experience in general management/corporate planning/international marketing seeks contacts with chairmen. Write Box G.409, Financial Times, 10, Cannon Street, EC4A 4BT.

COMPANY DOCTOR. wants to purchase under capitalised companies with established clientele. Wholesaler or manufacturer, consumer goods. Please reply in writing to: JOHN TAYLOR, 428, Beakingsfield Road, London SW1 9TR.

A NEW CONCEPT COSMETIC COMPANY. 100% financing required. Have excellent formulae and know-how for product development, advertising, and sales. Minimum amount required £150,000. Interested parties please write to: Box E.390, Financial Times, 10, Cannon Street, EC4A 4BT.

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5% OF MAN-OFFSHORE TAX SAVED. We specialise in the formation of companies including nominal directors, secretarial services, general agency work, etc. and general consultancy including commercial placements. See details in P.A. Brown, Brown & Co., 10, Cannon Street, EC4A 4BT. Tel: 25881. Telex: 628241.

LIMITED COMPANIES £75. Ready-made from £85 including all share certificates, balance book, registers, etc. FIRSTMARK FINANCIAL SERVICES LIMITED, 17 Exchange South, Cardiff CF1 6EA. Tel: 0222-395170 Telex: 49749Z

KUWAITI COMPANY. seeks U.K. partner for joint venture in electrical and mechanical maintenance contracting in the Middle East. Previous oil industry contracting experience essential. Applications in confidence with full details to: Box G.423, Financial Times, 10, Cannon Street, EC4A 4BT.

NATIONAL DISTRIBUTOR of quality acid products seeks additional U.K. manufacturer equipment for U.S.A. market. Franchise should write to: competence of the President, High Technology Corporation, 88, Lawrence Street, Hackney, London E9 6JH. U.S.A. Manufacturers of complete overseas suitable for sale in the affluent United States-Canada markets. In kind literature and expert advice. Write to: Box G.417, Financial Times, 10, Cannon Street, EC4A 4BT. LONDON FILM COMPANY seeks up to £100,000 worth of shares. Share price £1.00. Write to: Box G.417, Financial Times, 10, Cannon Street, EC4A 4BT. OVER SEAS SCHOOLS AND EDUCATIONAL ESTABLISHMENTS can be reached by mail. Write to: Box G.417, Financial Times, 10, Cannon Street, EC4A 4BT. SECURITY CONSULTANTS. For very sensitive security or comprehensive security surveys, phone or write. W.D. Comp., Kendrick on 01-629 8702, Giffney Hill, 1 & 2, George Street, London W0R 9DG.

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INTERNATIONAL FINANCIAL AND COMPANY NEWS

Ministry supports Cartel office in Thyssen case

THAN CARR

German Economics taken over by August Thyssen...

BONN, August 3.

accepts the argument about preserving employment...

Margins clipped at AECI

By Our Own Correspondent

JOHANNESBURG, August 3.

SOUTH AFRICA'S mini ICI chemical and explosives based AECI...

Nippon Electric back on road to recovery

BY YOKO SHIBATA

TOKYO, August 3.

JAPAN'S major manufacturer of telecommunications and electronic machines...

solidated subsidiaries contributed to the good consolidated results...

There is a strong possibility that the company's dividend will be raised by ¥1 (to ¥6 per annum) from the September 1977 term onwards.

Fitzwilton investments total more than £9m.

DUBLIN August 3.

INCLUDING £4.1m in cash, Fitzwilton the Irish investment group will this year have non-trailing investment funds under management totalling £9.15m.

A one-time Irish conglomerate, Fitzwilton recently sold its remaining industrial interest...

Deutsche Bank profit improves

FRANKFURT, August 3.

Bank AG, West Germany's largest commercial bank, reported a first-half profit of DM261.5m...

1977, may narrow further despite April's 0.5 per cent. interest rate cut on savings deposits...

BMW sales rise 18%

MUNICH, August 3.

MOTOREN half led to very high incoming orders and an order backlog...

EURODOLLAR BOND PRICES MID-DAY INDICATIONS

Table with columns for Bond Type, Bid, Offer, and Price. Includes sections for D-MARK BONDS, FLOATING RATE NOTES, and CONVERTIBLES.

net asset value just 1. 1977 Pacific Holdings N.V. 38.87 Pacific Holdings (Seaboard) N.V. 28.34 in the Amsterdam Stock Exchange

YONTOBEL EUROBOND INDICES table with columns for Index Name and Value.

Spelling out its commitment to the ailing phosphoric acid facility at Richards Bay...

As a result, the ratio of wired telecommunications equipment to the total sales has declined...

As a result NEC expects an overall gain of 30 per cent. in the integrated circuit sales sector...

Exports during the first six months totalled ¥46.8bn. up 22.0 per cent. from ¥38.0bn. in the like year-earlier period.

City Investing reports on second quarter 1977 results

City Investing Company's principal operations—manufacturing, international, housing and insurance—all contributed to continuing earnings growth in the second quarter.

Highlights

- City Investing's revenues for the quarter rose 21% to \$746 million. • City Investing's net income increased 100% to \$16 million.

Manufacturing, International and Housing

• Domestic manufacturing revenues and earnings advanced further. All operations showed increased volume and the market leadership of principal products was strengthened...

Insurance and Financial

• Property and casualty insurance results contributed importantly to earnings progress, reflecting improved underwriting results and growth in investment income.



Basic Businesses Filling Basic Needs

City Investing is the world's largest manufacturer of water heaters and steel shipping containers and a leading producer of heating and air-conditioning equipment.

City is also the nation's largest magazine printer; one of the country's major home builders and mobile home manufacturers; owns the largest chain of budget motels in the U.S.; and is one of the largest property and casualty insurers in the United States.

To learn more about City Investing, contact: Jerome Hanan, Vice President, City Investing S.A., Stockerstrasse 38, 8002 Zurich, Switzerland.

SUMMARY RESULTS

Table with columns for Period, 1977, 1976, and % Increase. Rows include Revenues, Net Income, Per Share, Primary, and Per Share, Diluted for both Second Quarter and Six Months.

*Second quarter and six months 1976 net income is net of losses from discontinued operations of \$4,947,000 (\$24 per primary share and \$14 assuming full dilution).

City Investing Company Manufacturing | Housing | Insurance

767 Fifth Avenue, New York, New York 10022

ing point... F.N.I. appoint...

bar sector...

\$ 36 00000

Takeda Chemical Industries

Wall Street + Overseas Markets + Dollar recovers

By Our Wall Street Correspondent

There was a further broad retreat on Wall Street in moderate activity this morning. The Dow Jones Industrial Average registered a fall of 6.76 at 1,300.31 at 1 p.m., while the NYSE All Common Index lost 34 cents to 53.59.

Closing prices and market reports were not available for this edition.

13.4m shares from yesterday's 11.1m level of 11.1m.

Among the bad news cited by analysts was a quarter per cent. Prime Rate increase to 6 1/2 per cent. today by Morgan Guaranty Trust.

General Motors, the volume leader, was down \$1 at \$67, while Ford Motor, at \$43, also shed \$1.

Among lower Steel U.S. Steel PARIS—The market was narrowly mixed in minimal trading, with the index slightly weaker.

Elsewhere, Falcon Seaboard retreated \$1/2 to \$26, Sea Containers \$1 1/2 to \$47, Thiokol \$1 1/2 to \$24, and heavily-traded Aluminum Co. of America \$1 1/2 to \$50.

Polaroid eased \$1/2 to \$28 after more analysts cited in published reports lowered their earnings estimates for the company.

The AMERICAN SE Market VALUE Index showed a further reaction of 0.80 at 119.18 at 1 p.m. on trading volume of 1.4m shares, equal to yesterday's 1 p.m. figure.

Metrocar shed \$1 to \$11, while Castleton Industrials, the volume leader, were down \$1 at \$23.

Other Markets

Canada lower

Canada share prices were broadly lower in light noon trading with Pipelines, Management Companies and Transport issues down sharply.

The Toronto composite index was off 4.2 at 1032.4 and declines outweighed advances by 159 to 84. Oil and Gas fell 2 1/2 to 22 1/2 and Metals 4 1/2 to 94.6.

But Golds were sharply higher. Canadian Tire dropped \$1 1/2 to \$21, and Husky Oil fell \$1 1/2 to \$27, Dome Pet at \$45 fell \$1 and Indus slipped \$1 to \$9 on lower first half earnings.

Macmillan Bloedel gained 75 cents to \$24, in Montreal two indices pointed to a rise in the Papers and Printing sector.

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The exception was the Foods sector which made small gains. Radio Technique fell Frs.572 and Redoute shed Frs.2 to Frs.537.

BRUSSELS—Most shares fell in more lively trading. Sofina, Uerz, UCB and St. Roch rose but Cobeqa, Traction, Asturienne, FN, Intercom, Hoboken, Cockerill and Solvay all fell.

MILAN—The market closed mixed to higher in slightly more active trading. Among leading Industrials Fiat SpA closed L13 higher at Loss on a 25 per cent increase in first-half sales.

AMSTERDAM—The market closed generally lower in continued quiet trading with Royal Dutch and Akzo Fla.1, and 50 cents lower respectively.

OSLO—Banks and Shippings were mostly steady. Insurances were quiet and Industrials tended slightly easier.

VIENNA—The market was steady in light trading. The market closed mixed in moderate trading. Banks were unchanged on balance but Insurances and Shippings ended mixed to slightly higher.

MAJOR—The general bourse index again fell to a new 1977 low of 73.10 as sellers predominated. Most shares were, however, maintained.

STOCKHOLM—The market traded firm with Marabon, M. Och Doms and SKF particularly strong.

ZURICH—The stock market strong.

JOHANNESBURG—Gold shares moved firmer on higher billion indications and strong local and overseas demand.

HONG KONG—The market closed lower in fairly dull trading and some selling pressure materialised towards the close.

TOKYO—The market rose sharply following Prime Minister Nakasone's statement on the possible re-denomination of the Yen and the Government's interim reflationary package.

AUSTRALIA—The market was mixed with a slight rise in the Australian dollar having little impact. Among Coals, Coal and Allied gained 9 cents to \$43.57.

EUROPEAN CURRENCY INTEREST RATES

Table with columns for currency, interest rate, and bank name.

EXCHANGE CROSS-RATES

Table with columns for currency, rate, and bank name.

FORWARD RATES

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STERLING was very firm in early London yesterday after touching a low point of \$32.02.

Gold rose \$1 to \$146.14, reflecting hopes of a successful gold auction by the IMF, and also the early weakness of the dollar.

Anticipation of higher U.S. interest rates following the rise in Morgan Guaranty's prime lending rate, which it back into line with other major banks, may have influenced trading.

The dollar tended to move in the opposite direction to the pound, being weak in the morning but improving quite sharply towards the close.

FOREIGN EXCHANGES

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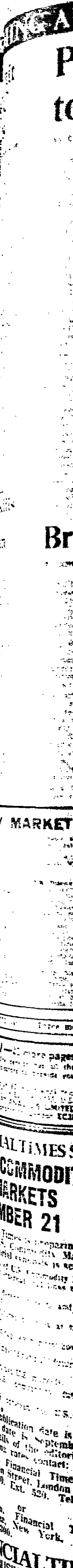
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OSLO

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MINING AND RAW MATERIALS

hit EC ports

Commodities Staff

ECAR prices fell in London terminal Friday after the EEC authorised an unloading amount of sugar...

ess kills

rain plan

STON, August 3. The House of Commons decided to drop a motion which would allow participation in an emergency food...

Potato retail prices slow to follow farm-gate slump

BY CHRISTOPHER PARKES

THE PRICES farmers earn for their potatoes have come crashing down and their returns are already hovering around the level where the Potato Marketing Board should step in and buy up surpluses to prevent a total collapse...

Double-hoping for a repeat of the bonanzas of the past two years potato producers registered with the P.M.B. this year planted about 400,000 acres compared with 480,000 acres last season...

In time for the harvest which starts in earnest this month many growers are now fretting about the prospects of heavy losses this year. One expert claimed that since it cost about £800 to grow an acre of potatoes this season—the cost has been greatly inflated by the soaring cost of seed tubers...

Milk tax may be delayed

By Christopher Parkes

BRITISH dairy farmers, who are due to start paying a Common Market levy on their milk output on September 15, may win a temporary reprieve. Senior officials in Brussels suggested to Mr. Fian Gualandri, the EEC Agriculture Commissioner, that because of administrative hiccups and downward adjustments from some governments the so-called 'ex-responsibility levy' should be deferred.

Record price for cash tin

CASH TIN closed at a record price on the London Metal Exchange yesterday, after gaining £147 to £8,465 a tonne. It moved to a greater premium over the three months' quotation which was £125 higher at £8,430 a tonne, still below the peak level reached in March this year.

ASEAN CONFERENCE

NZ 'fish for beef' warning to Japan

BY DAI HAYWARD, WELLINGTON CORRESPONDENT

FISH FOR beef and butter. This is the deal New Zealand is trying to conclude in the next few months Japanese vessels could be ordered out of the New Zealand fishing grounds. The Japanese Government has argued that the question of fishing rights is a separate issue and should be discussed separately from that of import restrictions on New Zealand agricultural products.

Promises

New Zealand has been trying for years to persuade the Japanese to stabilise the market and increase the import quotas imposed on beef and dairy products. Little headway has been made since the early 1970s. Frequently New Zealand's hopes have been raised by promises which have not been matched by later performance from the Japanese.

substantial markets if they could win more liberal access. New Zealand needs more markets for its beef. With beef exports to the U.S. strictly controlled under voluntary agreements, and the world beef market in a sensitive state, New Zealand meat producers need a better deal from Japan. Mr. Fukuda, the Japanese Prime Minister, on the other hand, is under pressure from domestic producers not to make concessions to New Zealand or to other beef and dairy exporters.

Japan tin stock contribution urged

ECONOMIC Ministers of the five-nation Association of South East Asian Countries said that governments should urge Japan to contribute to the international tin agreement buffer stock. Mr. Hamzah Abu Samah, the Malaysian Trade Minister, said.

Brazil to curb coffee exports

BY JOHN EDWARDS, COMMODITIES EDITOR

A BRAZILIAN Coffee Institute announcement that it would restrict green coffee exports in the next 12 months to 9.6m. bags (of 60 kilos each) was greeted with scepticism on the London terminal market yesterday.

little economic sense. If Brazil required extra supplies for its soluble industry or simply wanted to bolster the market, it would probably be cheaper and more effective to buy up the sizeable quantities of low-grade Robusta coffee now available.

prepared to compromise a bit when the expected recovery in demand materialises in a month or so. Consumer demand is reported to be patchy, confined mainly to bargain hunting in certain markets. But as one dealer said: 'Roasters can't stop buying for ever'.

COMMODITY MARKET REPORTS AND PRICES

Table with columns for Commodity, Unit, Price, and Change. Includes sections for METALS, RUBBER, and COCAOA.

COFFEE

Table with columns for Commodity, Unit, Price, and Change. Includes sections for Robusta and Arabica coffee prices.

SOYABEAN MEAL

Table with columns for Commodity, Unit, Price, and Change. Includes sections for Soyabean meal and oil prices.

SUGAR

Table with columns for Commodity, Unit, Price, and Change. Includes sections for London Daily Price and other sugar market data.

PRICE CHANGES

Table with columns for Commodity, Unit, Price, and Change. Lists various commodity price adjustments.

U.S. Markets

Table with columns for Commodity, Unit, Price, and Change. Focuses on soyabean and cocoa market movements.

ional—22 more pages commodity service has all the news and indicators to provide you with...

FINANCIAL TIMES SURVEY OF S. COMMODITY MARKETS

Financial Times is preparing to publish a new U.S. Commodity Markets. The editorial synopsis is set out below. Overview of U.S. Commodity Markets; their links and international links especially with Europe.

GRAINS

Table with columns for Commodity, Unit, Price, and Change. Includes sections for London Futures (GAFTA) and other grain market data.

WHEAT

Table with columns for Commodity, Unit, Price, and Change. Includes sections for Wheat market reports and prices.

Wool Futures

Table with columns for Commodity, Unit, Price, and Change. Includes sections for Wool futures market data.

PALM OIL

Table with columns for Commodity, Unit, Price, and Change. Includes sections for Palm oil market reports and prices.

Price incentive for Brazil's rubber growers

The Brazil crisis re-enter the world rubber trade, following the O.I.C. which has followed up the cost of synthetic rubber, according to the Brazilian Tyre Industry Association.

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COCAOA

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RUBBER

Table with columns for Commodity, Unit, Price, and Change. Includes sections for Rubber market reports and prices.

MEAT/VEGETABLES

Table with columns for Commodity, Unit, Price, and Change. Includes sections for Meat and vegetable market data.

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FINANCIAL TIMES

Table with columns for Commodity, Unit, Price, and Change. Includes sections for Financial Times market data.

STOCK EXCHANGE REPORT

Index up 6.3 at 458.2 for 6-day rise of 28 points

Gilts subdued ahead of to-day's offering of new tap stock

Account Dealing Dates
Option
*First Declara- Last Account
Dealings Dealing Day
July 11 July 21 July 22 Aug. 2
July 25 Aug. 4 Aug. 5 Aug. 16
Aug. 8 Aug. 18 Aug. 19 Aug. 31
* "New time" dealings may take place from 9.30 a.m. two business days earlier.

Fresh small demand in a thin market led yesterday to another solid upward return to the share prices. Individual gains were often an exaggeration of genuine demand but strengthening hopes for a cut in Minimum Lending Rate to-morrow was responsible for a little more buying than recently. Prices generally closed at or near the best and resulted in the FT Industrial Ordinary share index rising 6.3 more to 458.2 after 459.1 at 3 p.m. Having come up 28.1, or 6.3 per cent, in the space of six trading days, the index is now within two points of the 460 high of its recent trading range and 19.2 off its 1977 high which was recorded on May 18.

Variables both shed 1/2 to 3/4. Scattered losses of 1/2 to 1 were recorded in the longer maturities, while, in the irredeemables, War Loan held on to a rise of 1/4 at 291.

Other Fixed Interest stocks made further modest headway in places. In recently-issued Corporations, Sandwell 15 per cent, 1985 put on 1/2 more to 101 1/2. The £10 paid stock; this argues well for the new Liverpool stock for which application lists open to-day and which was issued on the same terms as Sandwell.

After opening at the overnight closing level of 111.1 per cent, the premium reacted to a day's low of investment currency before a two-way pull developed in which buyers for investment in the U.S. finally had the upper hand and brought the closing rate back to 111.1 per cent. The 52 conversion factor was 0.730 (0.785).

Hawker may increase their bid for L. Gardner left the latter 4 higher at 357. Awaiting news of the bid discussions currently taking place with Low and Bonar. GEP advanced 3/4 more to 249p. By way of contrast, Butterfield Harvey fell 7/8 to 51p, after 45p. Fresh demand in a market short of stock prompted another crop of useful rises with Marks and Spencer rising 4 to 128p, after 130p, making a gain so far on the week of 10. Gussies A rose 3 to 254p as did Mothercare, to 165p.

Press comment, added 5 at 191p. Unilever were finally 8 up at 494p, after 486p, ahead of half-yearly figures, due August 17. While Reed International, with first quarter results expected to-day, improved 4 to 190p. Becham ended 8 higher at 529p, after 505p. Elsewhere, Peter Black firm 5 to 90p on the rise in profits, while news of overseas orders worth £54m, resulted in an improvement of 2 1/2 to 32 1/2 in Elliott Group of Peterborough. The chairman's statement with the full report left Scottish and Universal 2 better at 85p. Scapa Group moved ahead 10 to 210p, while European Ferries, 75p, and George Wear, 24p, were both about 4 higher. In contrast, Charringtons Industrial shed 2 to 61p following the formal offer documents from Laird, unaltered at 79p. Sentiment was apparently fresh progress. Clayton Dewandre were raised 7/8 to a 1977 peak of 112 1/2p on small buying in a thin market in anticipation of interim figures which are expected on August 17. Associated Engineering moved up 1/2 to 112 1/2p, while similar gains were seen in Kwik-Fit 60p, and Jessups, 31p. BSG International were active and 1 1/2 higher at 31p. Pride and Clarke were also notably firm at 190p, up 11, on revived demand in a restricted market. Lucas Industries were finally a penny up at 288p, after 279p, touching extremes of 255p and 316p, while Oil Exploration were finally 3 to the good at 258p, after 244p. The leaders attracted little interest and British Petroleum recorded a loss of 4 at 386p.

Banks steady
A dull market on Tuesday reflecting the probe by the new Price Commission into their charges the big four clearing banks took a firm line yesterday and, apart from Barclays Securities Index, which includes War Loan and Treasury 31 per cent, 1979-81, hardened 0.38 further to 68.58. Gains in the 30-share index constituents usually ranged to 4 and occasionally more with ICI ending 6 up at 393, after 402p, while numerous and more extensive rises were recorded in other good-class stocks. Hopes on bigger spending power in the autumn spurred Stores to a more-averse performance, the sector index gaining 2.5 per cent, as compared with the All-Share index rise of 1.2 per cent. Cheaper money hopes helped Hire Purchase, up 2 1/2 per cent, and Properties, up 1.5 per cent.

Stores good again
Stores continued to push forward strongly on hopes of increased consumer spending. Fresh demand in a market short of stock prompted another crop of useful rises with Marks and Spencer rising 4 to 128p, after 130p, making a gain so far on the week of 10. Gussies A rose 3 to 254p as did Mothercare, to 165p.

Press comment, added 5 at 191p. Unilever were finally 8 up at 494p, after 486p, ahead of half-yearly figures, due August 17. While Reed International, with first quarter results expected to-day, improved 4 to 190p. Becham ended 8 higher at 529p, after 505p. Elsewhere, Peter Black firm 5 to 90p on the rise in profits, while news of overseas orders worth £54m, resulted in an improvement of 2 1/2 to 32 1/2 in Elliott Group of Peterborough. The chairman's statement with the full report left Scottish and Universal 2 better at 85p. Scapa Group moved ahead 10 to 210p, while European Ferries, 75p, and George Wear, 24p, were both about 4 higher. In contrast, Charringtons Industrial shed 2 to 61p following the formal offer documents from Laird, unaltered at 79p. Sentiment was apparently fresh progress. Clayton Dewandre were raised 7/8 to a 1977 peak of 112 1/2p on small buying in a thin market in anticipation of interim figures which are expected on August 17. Associated Engineering moved up 1/2 to 112 1/2p, while similar gains were seen in Kwik-Fit 60p, and Jessups, 31p. BSG International were active and 1 1/2 higher at 31p. Pride and Clarke were also notably firm at 190p, up 11, on revived demand in a restricted market. Lucas Industries were finally a penny up at 288p, after 279p, touching extremes of 255p and 316p, while Oil Exploration were finally 3 to the good at 258p, after 244p. The leaders attracted little interest and British Petroleum recorded a loss of 4 at 386p.

Gilts pause
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FINANCIAL TIMES STOCK INDIC

	Aug. 3	Aug. 2	Aug. 1	July 29	July 27	July 26
Government Secs.	68.85	68.80	68.85	67.98	67.98	67.91
Fixed Interest	68.84	68.71	68.89	68.54	68.45	68.18
Industrial Ordinary	458.2	461.9	446.2	440.8	440.8	434.5
Gold Mines	128.9	130.9	117.9	116.5	116.0	119.5
Ord. Div. Yield	6.31	6.37	6.42	6.49	6.48	6.52
Rate of Inflation	16.85	16.02	16.19	16.41	16.37	16.46
P/E Ratio (ind. ord.)	9.13	9.03	8.94	8.83	8.94	8.78
Destings marked	5,589	5,763	4,982	4,853	4,943	4,851
Equity turnover £m.	65.62	33.37	49.62	66.10	66.24	66.24
Equity turnover (ind. ord.)	12,789	10,408	11,875	11,414	11,511	11,511

10 a.m. 458.2, 11 a.m. 461.1, Noon 459.3, 1 p.m. 461.5, 2 p.m. 463.3, 3 p.m. 462.1.
Largest Index 62,396 8624.
*Based on 33 per cent. corporation tax. Nil-9.08.
Basis 100 Govt. Secs. 10/12.5, Fixed Int. 100, Ind. Ord. 100/12/5, Mines 12/5/3. SE Activity July-Dec. 1976.

HIGHS AND LOWS S.E. ACT

	High	Low	High	Low	July 27	July 26
Govt. Secs.	71.68 (0.85)	60.40 (0.10)	127.4 (0.10)	49.18 (0.10)	155.0 (0.10)	125.1 (0.10)
Fixed Int.	71.19 (0.85)	60.40 (0.10)	127.4 (0.10)	49.18 (0.10)	155.0 (0.10)	125.1 (0.10)
Ind. Ord.	477.4 (0.85)	357.6 (0.20)	485.6 (0.10)	49.4 (0.10)	183.7 (0.10)	174.6 (0.10)
Gold Mines	127.4 (0.85)	95.1 (0.6)	226.7 (0.10)	26.0 (0.10)	39.4 (0.10)	23.0 (0.10)

OPTIONS TRADED

DEALING DATES
First Last For Lombo, Monni Charlott
Deal Declara- Hotelc, EGA, Conlitt a
ings Don meet Westland, Raybeck, an
Aug. 2 Aug. 15 Oct. 25 Nov. 8 (U.K.). Puts were don
Aug. 16 Aug. 30 Nov. 8 Nov. 21 merical Union and Ves
Aug. 31 Sep. 12 Nov. 22 Dec. 5 doubles were arranged
For rate indications see and lish Property, Berry W
of Share Information Service Vere Hotels, Matthews
and Ultramar. A short
Baven, House of Fraser, Hamp was arranged in Oc
ten Areas, Pye, Hopkinsons, Union.

NEW HIGHS AND LOWS FOR 19

The following securities quoted in the Share Information Service yesterday attained new Highs and Lows for 1977.

NEW HIGHS (113)	NEW LOWS (1)
BRITISH FUNDS (11)	BRITISH FUNDS (1)
CORPORATION BONDS (1)	AMERICANS (2)
COM-WEALTH & AFRICAN BONDS (1)	AMERICANS (2)
BANKS (3)	AMERICANS (2)
BEERS (2)	AMERICANS (2)
BUNINGS (4)	AMERICANS (2)
CHEMICALS (4)	AMERICANS (2)
CINEMAS (1)	AMERICANS (2)
DRAPERY & STORES (9)	AMERICANS (2)
ELECTRICALS (7)	AMERICANS (2)
ENGINEERING (2)	AMERICANS (2)
FOODS (4)	AMERICANS (2)
INDUSTRIAL (2)	AMERICANS (2)
INSURANCE (2)	AMERICANS (2)
PAPER & PRINTING (2)	AMERICANS (2)
SHIPPING (1)	AMERICANS (2)
SHOES (1)	AMERICANS (2)
TOBACCO (1)	AMERICANS (2)

RISES AND FALLS YESTERDAY

Up Down Same	OTs	Platations	Mines	Rest Int.	Total
British Funds	31	3	3	3	3
Corps. & Govt. Bonds	31	3	3	3	3
Industrial & Prov.	20	3	29	29	78

STOCK EXCHANGE BUSINESS IN JULY

Turnover up in all sectors

BY GEOFFREY FOSTER

GROWING ECONOMIC and political uncertainty in the run up to the end of Phase Two of the wages policy left Stock Exchange business in July only slightly higher than in June.

The latter recorded the lowest overall turnover for eight months, but business in July rose £0.2bn. to £8.4bn.

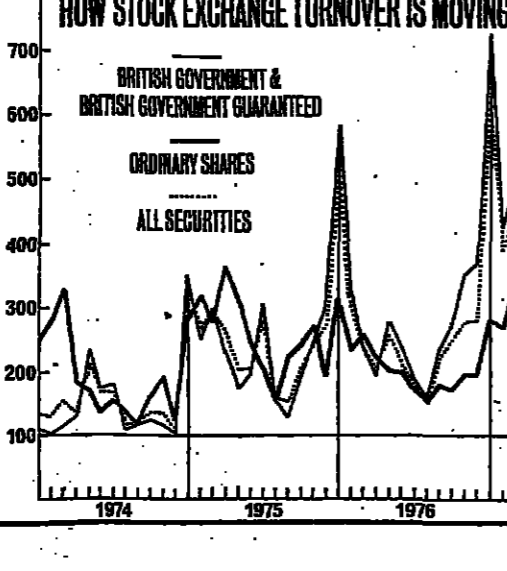
Similarly the number of bargains rose from 406,392 to 444,349 but the average value per bargain eased from £20,038 to £18.91.

Trade in British Government stocks as a whole, at £5bn., was up £0.3bn. compared with the previous month. Business transacted in short-dated issues was fractionally lower at £4bn., whereas longer maturities saw an improvement from £1.5bn. to £2bn.

The FT Turnover Index for British Government stocks improved to 253.7 in July from 241.9 in June and compares with January's all-time high of 733.8.

More pronounced political and inflationary uncertainty followed the Government's failure to secure an agreement with the TUC over pay other than the 12-month rule. This prompted early selling of gilt-edged securities last month as several strident calls went out for firms to free collective bargaining in the next round of wage settlements starting from August 1.

After touching 66.60 on July 19, however, the FT Government Securities Index rallied strongly in the last eight days of the month to close at 67.96, up 0.09 on balance. The rally reflected closing of short positions and was given added impetus by the



Bank of England pegging sterling to all the major currencies rather than to the recently weak U.S. dollar.

After June's 43 per cent reduction, business in ordinary shares this month picked up £0.1bn. to £1.3bn. and the number of bargains rose by 30,619 to 332,321.

The average value per bargain was little changed at £3,904 compared with the previous month's £3,956. The FT turnover index for ordinary shares for July was 440.2.

Gold shares improved modestly in July with the FT Gold Mines index closing the month 5.1 points up at 116.5. Sentiment was helped by the firm bullish price and good quarterly profits from all the major gold producers.

Category	Value of all purchases and sales £m.	% of total	Number of bargains	Average value per bargain £	Average no. of bargains per day
British Government and British Government Guaranteed: Short dated (having five years or less to run)	4,006.7	47.9	24,556	5.5	190.0
Others	1,984.5	23.7	34,332	7.7	94.5
Irish Government: Short dated (having five years or less to run)	346.3	4.1	1,920	0.5	16.5
Others	158.6	1.9	2,743	0.6	7.6
U.K. Local Authority	430.8	5.2	8,265	1.9	20.5
Overseas Government, Provincial and Municipal	28.5	0.3	1,482	0.3	1.4
Fixed Interest Stock, Preference and Preferred Ordinary shares	116.8	1.4	38,730	8.7	5.6
Ordinary shares	1,297.5	15.5	332,321	74.8	61.8
Total	8,371.8	100.0	444,349	100.0	398.7

* Average of all securities.

RECENT ISSUES

EQUITIES

Issue Price	Amount	Latest Date	1977	Stock	Change	Div. Yield	Times Interest	Yield
945	300	12/18	303	347	HP (R.L.A.) 2 1/2% 1982	558	4.17	1.4
450	100	12/18	104	104	City Hotels 2 1/2% 1982	104	5.9	7.5
498	50	2/7	98	98	Forward Tech. Ind. 50p	98	6.7	11.0
118	100	12/18	118	118	LA&M 10% 1982	118	10.0	11.5
4	50	2/7	92	92	LWT 4 1/2% 1982	92	6.0	5.1
150	200	12/18	151	158	Roby (R.L.) 10% 1982	154	8.5	14.0
					Seabury's	275	18.2	25.7

FIXED INTEREST STOCKS

Issue Price	Amount	Latest Date	1977	Stock	Change	Div. Yield	Times Interest	Yield
297 1/2	250	2/29	299	46 1/2	Birmingham (City of) 12 1/2% Red. 1986	49 1/2	4.4	4.4
297 1/2	250	2/29	299	46 1/2	Burnley 12 1/2% Red. 1982	104	10.0	10.0
110	100	2/29	110	110	Cavenham 10% Cum. Pref.	98 1/2	9.8	9.8
110	100	2/29	110	110	Coine Valley Water 8 1/2% 1982	110	10.0	10.0
110	100	2/29	110	110	East Sussex 8 1/2% 1982	110	10.0	10.0
110	100	2/29	110	110	Flintshire Finance 8 1/2% 1982	110	10.0	10.0
110	100	2/29	110	110	G.T. Japan 8 1/2% 1982	110	10.0	10.0
110	100	2/29	110	110	Mathematics Inv. 7 1/2% Govt. 8 1/2% 1982	110	10.0	10.0
110	100	2/29	110	110	Newcastle & Gateshead Water 12 1/2% 1982	110	10.0	10.0
110	100	2/29	110	110	Sandwell 15% 1982	110	10.0	10.0
110	100	2/29	110	110	Stockport (Met. Borough) 12 1/2% Red. 1982	110	10.0	10.0
110	100	2/29	110	110	Sunderland 12 1/2% Red. 1982	110	10.0	10.0

"RIGHTS" OFFERS

Issue Price	Amount	Latest Date	1977	Stock	Change	Div. Yield	Times Interest	Yield
110	100	2/29	110	110	Allied Retailers	116	4.2	4.2
110	100	2/29	110	110	Alpine Soft Drinks	116	4.2	4.2
110	100	2/29	110	110	B&S. Intl.	50 1/2	4.4	4.4
110	100	2/29	110	110	Baird (Wm.)	127	4.4	4.4
110	100	2/29	110	110	Baird (Wm.)	127	4.4	4.4
110	100	2/29	110	110	Baird (Wm.)	127	4.4	4.4
110	100	2/29	110	110	Baird (Wm.)	127	4.4	4.4
110	100	2/29	110	110	Baird (Wm.)	127	4.4	4.4
110	100	2/29	110	110	Baird (Wm.)	127	4.4	4.4
110	100	2/29	110	110	Baird (Wm.)	127	4.4	4.4

FT-ACTUARIES SHARE INDICES

These indices are the joint compilation of the Financial Times, the Institute of Act and the Faculty of Actuaries

EQUITY GROUPS

GROUPS & SUB-SECTIONS	Index No.	Day's Change %	Est. Value (£m.)	Gross Div. Yield (%)	Est. P/E Ratio	Index No.	Index No.	Index No.	Index No.
1 CAPITAL GOODS (28)	186.22	+1.3	18.20	5.81	8.00	183.92	189.94	178.64	178
2 Building Materials (36)	156.00	+1.4	19.49	6.64	7.40	151.60	169.62	149.62	148
3 Contracting, Construction (25)	259.31	+2.0	20.44	4.67	7.53	254.12	248.64	246.54	246
4 Electricals (10)	382.17	+1.4	16.46	4.40	8.91	376.98	378.18	364.78	365
5 Engineering (Heavy) (20)	274.23	+2.3	19.50	6.48	6.93	268.21	268.60	259.25	259
6 Food Retailing (17)	163.06	+4.0	16.24	5.50	8.14	161.64	159.89	157.66	157
7 Machine and Other Tools (9)	91.86	+1.0	22.75	6.98	6.40	90.97	90.97	88.97	89
8 Miscellaneous (21)	150.63	+0.9	17.91	6.98	7.91	149.31	147.24	145.73	146
9 CONSUMER GOODS (21)	174.48	+1.6	16.54	6.15	8.79	171.67	168.52	166.99	167
10 DURABLES (23)	175.43	+2.2	17.29	4.93	8.44	171.99	168.36	166.24	166
11 L.E. Electronics, Radio TV (15)	206.75	+3.5	15.87	3.70	9.21	200.17	195.40	192.10	193
12 Household Goods (12)	194.51	+4.7	21.15	7.78	6.45	193.45	192.10	192.15	194
13 Motor and Distributors (25)	113.34	+1.0	18.57	6.35	7.99	110.19	108.57	106.68	107
14 NON-DURABLES (17)	174.48	+1.6	16.54	6.15	8.79	171.67	168.52	166.99	167
15 Breweries (15)	183.11	+1.9	15.87	6.78	9.53	179.69	177.94	175.93	176
16 Wines and Spirits (8)	208.51	+2.1	16.52	6.05	9.32	204.19	201.57	198.19	198
17 Entertainment, Catering (16)									

AUTHORISED UNIT TRUSTS

Table of authorised unit trusts including Brown Shipley & Co. Ltd., Guardian Royal Ex. Unit Mgrs. Ltd., Practical Invest. Co. Ltd., and others, listing various fund types and their performance metrics.

BASE LENDING RATES

Table of base lending rates for various banks and financial institutions, including Barclays, HSBC, and others, listing rates for different terms and currencies.

SHARES AND LAGGARDS

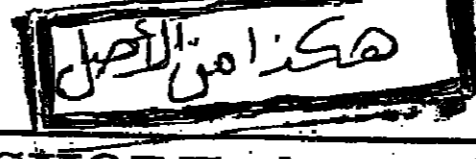
Table of shares and laggards, listing various companies and their performance metrics, including household goods, insurance, and other sectors.

OFFSHORE AND OVERSEAS FUNDS

Table of offshore and overseas funds, including Arbutnot Securities (C.I.) Limited, Fidelity Mgmt. & Res. (Bsd.) Ltd., and others, listing fund names and details.

INSURANCE, PROPERTY, BONDS

Table of insurance, property, and bond offerings, including Abbey Life Assurance Co. Ltd., Equity & Law Life Ass. Soc. Ltd., and others, listing various financial products.



NOTES

Text providing additional information and notes regarding the financial data presented in the tables.

CLIVE INVESTMENTS LIMITED advertisement, listing services such as Royal Exchange A/c., Index Growth, and Clive Fixed Interest Capital.

INSURANCE BASE RATES advertisement, listing Property Growth, Cannon Assurance, and other insurance products.

FT SHARE INFORMATION SERVICE

probably the finest short course in the world THE FINANCIAL TIMES Apply for the April & October 78 Courses to Sylvia Prier

BRITISH FUNDS

Table of British Funds with columns for Stock, Price, Div. Yield, and other financial metrics.

INTERNATIONAL BANK

Table of International Bank shares with columns for Stock, Price, Div. Yield, and other financial metrics.

COMMONWEALTH & AFRICAN LOANS

Table of Commonwealth & African Loans with columns for Stock, Price, Div. Yield, and other financial metrics.

FOREIGN BONDS & RAILS

Table of Foreign Bonds & Rails with columns for Stock, Price, Div. Yield, and other financial metrics.

AMERICANS

Table of American shares with columns for Stock, Price, Div. Yield, and other financial metrics.

CANADIANS

Table of Canadian shares with columns for Stock, Price, Div. Yield, and other financial metrics.

BANKS AND HIRE PURCHASE

Table of Banks and Hire Purchase shares with columns for Stock, Price, Div. Yield, and other financial metrics.

BEERS, WINES AND SPIRITS

Table of Beers, Wines and Spirits shares with columns for Stock, Price, Div. Yield, and other financial metrics.

CINEMAS, THEATRES AND TV

Table of Cinemas, Theatres and TV shares with columns for Stock, Price, Div. Yield, and other financial metrics.

BUILDING INDUSTRY, TIMBER AND ROADS

Table of Building Industry, Timber and Roads shares with columns for Stock, Price, Div. Yield, and other financial metrics.

BUILDING INDUSTRY - Continued

Continuation of Building Industry shares with columns for Stock, Price, Div. Yield, and other financial metrics.

CHEMICALS, PLASTICS

Table of Chemicals and Plastics shares with columns for Stock, Price, Div. Yield, and other financial metrics.

DRAPERY AND STORES - Continued

Continuation of Drapery and Stores shares with columns for Stock, Price, Div. Yield, and other financial metrics.

DRAPERY AND STORES

Table of Drapery and Stores shares with columns for Stock, Price, Div. Yield, and other financial metrics.

ENGINEERING, MACHINE TOOLS

Table of Engineering and Machine Tools shares with columns for Stock, Price, Div. Yield, and other financial metrics.

ENGINEERING - Continued

Continuation of Engineering shares with columns for Stock, Price, Div. Yield, and other financial metrics.

ELECTRICAL AND RADIO

Table of Electrical and Radio shares with columns for Stock, Price, Div. Yield, and other financial metrics.

ENGINEERING, MACHINE TOOLS

Table of Engineering and Machine Tools shares with columns for Stock, Price, Div. Yield, and other financial metrics.

ENGINEERING - Continued

Continuation of Engineering shares with columns for Stock, Price, Div. Yield, and other financial metrics.

FOOD, GROCERIES, ETC.

Table of Food, Groceries, etc. shares with columns for Stock, Price, Div. Yield, and other financial metrics.

HOTELS AND CATERERS

Table of Hotels and Caterers shares with columns for Stock, Price, Div. Yield, and other financial metrics.

INDUSTRIALS (Misc.)

Table of Industrial shares with columns for Stock, Price, Div. Yield, and other financial metrics.

Conversion factor 0.7000 (0.7005)

Handwritten Arabic text: "مكتبة الامم المتحدة"

TRIALS-Continued

Table of trials with columns for Price, Div, Yld, and various stock symbols.

MOTORS, AIRCRAFT TRADES

Table listing motors and aircraft trades with columns for Stock, Price, Div, Yld.

PROPERTY-Continued

Table of property listings with columns for Stock, Price, Div, Yld.

TRUSTS-Continued

Table of trusts with columns for Stock, Price, Div, Yld.

TRUSTS-Continued

Table of trusts with columns for Stock, Price, Div, Yld.

NEW JAPAN SECURITIES Tokyo, Japan. London Branch Frankfurt Office. Tel 066 6757. Telex 940020.

MINES-Continued CENTRAL AFRICAN. Table with columns for Stock, Price, Div, Yld.

AUSTRALIAN. Table with columns for Stock, Price, Div, Yld.

TINS. Table with columns for Stock, Price, Div, Yld.

COPPER. Table with columns for Stock, Price, Div, Yld.

MISCELLANEOUS. Table with columns for Stock, Price, Div, Yld.

NOTES. Text providing information about notes and securities.

TEAS. Table with columns for Stock, Price, Div, Yld.

INDIA AND BANGLADESH. Table with columns for Stock, Price, Div, Yld.

AFRICA. Table with columns for Stock, Price, Div, Yld.

MINES CENTRAL RAND. Table with columns for Stock, Price, Div, Yld.

EASTERN RAND. Table with columns for Stock, Price, Div, Yld.

FAR WEST RAND. Table with columns for Stock, Price, Div, Yld.

REGIONAL MARKETS. Text providing regional market information.

IRISH. Table with columns for Stock, Price, Div, Yld.

OPTIONS 3-month Call rates. Table with columns for Stock, Price, Div, Yld.

DIAMOND AND PLATINUM. Table with columns for Stock, Price, Div, Yld.

PROPERTY

Table of property listings with columns for Stock, Price, Div, Yld.

TORRACOS

Table of torracos with columns for Stock, Price, Div, Yld.

TRUSTS, FINANCE, LAND

Table of trusts, finance, and land with columns for Stock, Price, Div, Yld.

FINANCE, LAND, etc.

Table of finance, land, and other items with columns for Stock, Price, Div, Yld.

O.F.S.

Table of O.F.S. with columns for Stock, Price, Div, Yld.

FINANCE

Table of finance with columns for Stock, Price, Div, Yld.

SURANCE

Table of surance with columns for Stock, Price, Div, Yld.

A selection of Options traded is given on the London Stock Exchange Report page

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Agenda agreed for Helsinki follow-up

BY PAUL LENDVAI

BELGRADE, August 3.

AFTER SEVEN weeks of hard bargaining, diplomats from 35 nations in Europe and North America to-day reached full agreement on the agenda, rules of procedure, working matters and timetables for the follow-up conference to the 1975 Helsinki agreements on European security. The full conference is scheduled to begin on October 4.

Spokesmen of East, West and unaligned nations to-night expressed satisfaction with the compromise which helped to break the deadlock over whether the main conference in the autumn should have a clear termination date or be open-ended.

Mr. Albert Sherer of the U.S. said that the U.S. delegation was pleased with the results which met the main American objectives.

"The working bodies and the organisational structure assure us of a thorough review of the implementation of the Helsinki accord," he said, pointedly adding "and there will be a thorough review."

The outline of the final compromise concerning the timetable of the main conference and its sub-commissions were worked out last night at a three hour dinner of the Soviet and U.S. delegations at the Soviet Embassy.

At a surprise Press conference this morning Mr. Juli Vorontsov, of the USSR, pre-

sent what he called a "very generous offer" on the basis of the Spanish compromise proposals tabled last Friday.

The three-point Soviet proposal involves concessions on the termination date of the main conference and the conditions under which the five sub-commissions called "subsidiary working bodies" (on security, economic and technological co-operation; humanitarian questions; Mediterranean problems and provisions for the next follow-up conference) would complete the work.

Worried that Soviet filibustering might amount to rejecting in principle the possibility of a cut-off date, the EC, led by Britain, the Netherlands and France, and supported by Romania and Portugal, were fighting to the last minute for a more ambiguous formula than the one in Spain's proposal.

The final text proposed by the Soviets and accepted to-day says: "In any case the meeting will adopt its concluding document and set the date and place for the next similar meeting before terminating its work."

In theory, the conference should end by December 22.

In case of disagreement, talks would be resumed after a one month Christmas recess in mid-January and end in mid-February.

The compromise offers an equivocal text which in case of a clash could be interpreted in different ways.

This is a face-saving concession to the Soviets since it means their proposals are unlikely to be published in the Soviet Press.

However, such a device would be as valid as a conference resolution.

The second point of the Soviet proposal concerns the work of the five sub-commissions which should review in detail the implementation of the Helsinki Agreement. The Soviets now accept the idea that if the commissions have not completed their work by December 16, drafting groups will be set up to assist a plenary session in preparing the concluding documents.

This means that if they start work in the third week of the conference, the important sub-commissions will have eight to nine weeks for a thorough debate instead of five as originally suggested by the West. Furthermore, the discussion could be continued in case of a conflict in the guise of "drafting groups."

Finally, the Soviets also suggested that no decision at the meeting should prejudice the general consensus. However, the Soviet proposal will not be listed in the final document of the preparatory meeting based on the Spanish compromise proposal, but would be recorded in the conference journal as a statement of the chairman of the plenary meeting.

The report approves the general state of demand, employment and it points out that there are two problem areas.

One is the very high unemployment among young people (13

OECD endorses economic policies in U.S.

BY DAVID CURRY

PARIS, August 3.

A QUALIFIED endorsement of the economic policies being pursued by the U.S. has come from the Organisation for Economic Co-operation and Development, which says that they are likely to generate continuing growth over the next 12 months. But it also makes an unqualified statement of the need for the U.S. to continue to run a substantial trade deficit.

The report on the U.S. notes the "locomotive" role of that country in helping to pull the Western world out of recession.

The broad satisfaction with the American commitment to expansion contrasts with the strictures aimed at the German Government, in last week's report on the German economy, for being unresponsive to the need to push the country's growth rate up from the expected 4 per cent for 1977 to the 6 per cent originally targeted to help the weaker OECD economies.

The current account deficit is seen as the essential instrument in fulfilment of the U.S. role. The report, written in June, estimates the 1977 current account deficit at \$14bn. in line with international forecasts.

However, the OECD regards the sharp rise in oil imports as indicating not merely a recovery in industrial activity but betraying a structural weakness in the economy.

The report approves the general state of demand, employment and it points out that there are two problem areas.

One is the very high unemployment among young people (13

per cent for the under-25s) and the 6.6 per cent rate of unemployment among women. Selective policies here, it says, could have an important effect on individual segments of the market without adding much to overall demand.

The other point worrying the OECD is the possibility of the capital stock proving insufficient to employ all those willing and able to work. A surge in investment is required, the report argues.

It suggests gradual reduction of the Federal budget deficit, in line with present policy intentions, to permit a more expansionary monetary policy without compromising the fight against inflation.

The report is optimistic about the prospects for strong growth in the first half of 1978 and expects quarterly increases in GNP to be in the 5 to 5.5 per cent range.

It expects further strong gains in employment and puts the increase in the labour force at 2 to 2.5 per cent in the period to mid-1978.

Taking into account the expected acceleration in public spending and the continuing trade deficit, the report suggests that total final sales should rise at an annual rate of 5 to 5.5 per cent over the next year.

On the trade front the OECD expects a \$25bn deficit in 1977, but with invisibles earning an extra \$2bn, it expects a final current account shortfall of around \$14bn.

Editorial Comment Page 14

Strong demand seen for new gilt issue

BY PETER RIDDELL, ECONOMICS CORRESPONDENT

STRONG demand is expected this morning for the new £800m. of 5.512m. next Monday on the hopes of a cut in minimum lending rate to-morrow have increased.

Interest rates continued to decline in the money market yesterday and the level of three-month Treasury bills points quite definitely to a cut in MLR from 8 to 7 1/2 per cent, if these rates are maintained at to-morrow's weekly tender.

The authorities regard a slight fall in short-term interest rates—the first since mid-May—as the right response for the time being to the recent heavy inflow of foreign currency into the U.K. But there could be official reluctance to see a cut in MLR of more than a quarter of a point this week.

This has provided a favourable background for heavy sales of gilt-edged stock and a rise in prices; this has increased the attractions of the new short-tap, which, unlike other recent issues, will be fully-paid on subscription.

Market estimates last night were that as much as £200m. to £300m. might be subscribed when lists open this morning. Some projections are even higher.

If demand is as high as this, the Government should easily meet its funding target for the August banking month, especially as there is a final call short-dated gilt-edged issue of £512m. next Monday on the long-dated top stock which was exhausted earlier this week. The existing variable rate stock is also still being sold.

In anticipation of a sizeable demand for the new stock, the gilt-edged market was relatively quiet yesterday. Prices were slightly lower towards the close and the Financial Times Government Securities Index ended only 0.03 up at 68.63 for a gain of 1.32 points in the past six days.

Morgan Guaranty Trust has raised its interest rate for prime business loans to 6 1/2 per cent from 6 1/4 per cent, effective immediately.

This strength has reflected both the recent downward trend in money market rates and the Bank of England's decision to move up to allow sterling to move up slightly.

Sterling was strong yesterday morning—rising by a third of a cent at one stage—and there may have been intervention by the authorities to hold down the rate.

However, later in the day, the dollar strengthened in anticipation of higher U.S. interest rates and the pound may have been supported in the afternoon during what was described as active business.

£54m. Saudi hotel and homes deal for Britain

By James McDonald

THE ELLIOTT Group of Peterborough—which manufactures permanent and prefabricated buildings—has won orders from Saudi Arabia worth about £54m. Over a two-year period six hotels and 200 two-bedroom houses are to be built.

The contracts will be self-financing and the Elliott Group will act as main contractor. About one-third of the work will be sub-contracted, but the major part of the prefabrication work on the contracts will be undertaken in Britain by Elliott and by Medway Industries.

Elliott acquired Medway early last year. The company makes permanent prefabricated buildings for schools, hospitals, community centres and housing.

Mr. E. L. V. Smeeth, chairman and managing director of the Elliott Group, said last night that further contracts from Saudi Arabia were expected soon. The group has just completed an £11m. contract for 11 schools in Saudi Arabia.

Of the six hotels, two will be built in the Jeddah area. The 200 houses are a private development for a wealthy Saudi and will be in Riyadh, the capital.

Japanese deflation expected soon

BY CHARLES SMITH, FAR EAST EDITOR

TOKYO, August 3.

JAPANESE Cabinet Ministers and Liberal Democratic Party leaders agreed today that the Government will introduce a package of measures for stimulating the economy before the Prime Minister, Mr. Takeo Fukuda returns on August 18 from a tour of South East Asia.

This effectively moves forward Japan's timetable for stimulating its economy. Previously Mr. Fukuda had said that he would review the economic situation after his return from South East Asia and then decide whether or not measures would be required.

The August package will include moves to speed up the placing of contracts for constructing electric power stations and an emergency programme for oil stockpiling. There will also be measures to assist industries hit by excess capacity and small companies which are suffering financial problems as the result of the Yen's recent revaluation against the dollar.

The August measures will in effect represent the first phase of a two-phased expansion plan. The second, to follow in September, will include the introduction of a large supplementary Budget with funds for increased public works spending and a possible reduction in interest rates.

Mr. Fukuda to-day said that the two packages taken together would comprise "decisive measures, not a patchy set of piecemeal steps."

The fundamental purpose of the measures will be to keep the economy growing through the winter—when it has tended to stagnate in recent years—and to improve Japan's chances of achieving the 6.7 per cent growth target set by the Government for the current fiscal year.

An important subsidiary object will be to create more import demand and thus to reduce the yawning increase in Japan's visible trade surplus which has become a subject of increasingly vocal criticism from trade partners.

Tories reject Think Tank's plans for diplomatic cuts

FINANCIAL TIMES REPORTER

A FUTURE Conservative Government would not sanction major cuts in Britain's overseas representation along the lines suggested by the Central Policy Review Staff—the so-called Think Tank—in its report published yesterday.

This was made clear by Mr. John Davies, the Tory shadow Foreign Secretary, when he condemned many of the report's main conclusions. His criticisms were echoed by diplomatic service trade unions, the BBC, CBI and the British Council.

The Think Tank report put the main emphasis for future British overseas representation on export promotion but fell short of recommending complete abolition of the diplomatic service.

Mr. Davies described the report as "wide of the mark." He believed it misjudged the extent of British influence abroad, identified Britain as a deteriorating power and made the error of preferring organisational change to individual motivation.

Pessimism

The diplomatic service unions attacked the proposals for a reduction in overseas posts as being based on "ill-conceived and controversial criteria." The unions are concerned that the proposals, if accepted by the Government, could lead to redundancies both at home and abroad.

If this happens, the diplomats may consider taking some form of industrial action—such as a work-to-rule—as a protest. A survey of some 1,300 diplomats, carried out by the Society of Civil and Public Servants earlier

this year, found that an overwhelming majority would consider taking action if cuts are imposed.

In their initial reaction to the report, the unions expressed surprise at "the pessimistic premise on which the report appears to be based."

Mr. Davies argued that none of the major political parties has publicly accepted that, as they believe the report assumes, Britain has little hope of recovery over the next 15 years. "We remain convinced that Britain has an important role to play in world affairs," they said.

The unions also described as "inconsistent" the report's acknowledgment that the existing diplomatic service machinery is working well while at the same time recommending radical changes in its construction, especially at this critical time.

They further pointed out that the diplomatic service, which accounts for less than 0.3 per cent of public expenditure, has already reduced its staff by 15 per cent since 1965.

The BBC was predictably irritated by the cuts suggested. Sir Charles Curran, director-general, said that the CPRS "simply have not grasped the structure of broadcasting finance, and particularly of external broadcasting finance."

The main burden of the BBC protest is that the cuts in broadcasting hours and the quality of the service produce relatively small financial savings, and that the corporation "the net effect of the implementation of the recommendations would be to reduce programme hours by

40 per cent in return for a saving of only 10 per cent in operating costs."

The cuts proposed would reduce British external broadcasting to the level of that produced by such countries as Albania and the Netherlands.

Sir Michael Swann, chairman of the BBC, said the proposed changes would have disastrous consequences for the external services' ability to continue with their job effectively.

"Wrong"

The CBI said that the report did not go far enough in recommending greater use of business expertise in official export promotion machinery and closer involvement of industrialists and business organisations.

"Categorical rejection" was the response of the British Council to both of the Think Tank's options for the reorganisation of the council's work of promoting education and cultural interchange between the United Kingdom and overseas countries.

The first option—that the semi-independent council be abolished and its work distributed among normal Government departments—was "utterly wrong," said Sir John Llewellyn, the council's director-general, in London.

The second option—mainly that the council should continue, but cease to have resident officials in overseas countries—was unacceptable because "to take away our representatives in those countries would be like taking away our eyes and ears," Sir John added.

News Analysis Page 6
Men and Matters Page 14

Journalists' strike talks may resume

BY ALAN PIKE, LABOUR STAFF

FURTHER TALKS between the TUC printing industries committee and Westminster Press management over the journalists' closed shop strike at Darlington are likely to take place shortly.

The dispute which, with the involvement of print workers in support of the National Union of Journalists has halted production of the Northern Echo and Despatch this week was reviewed by the committee yesterday.

No statement was issued but it is expected that the committee will hold further discussions with management and meet again afterwards.

A Westminster Press offer to invite the Advisory, Conciliation and Arbitration Service in Darlington to a job evaluation exercise at Darlington was apparently not taken up by the committee. The NUJ rejected the original proposals.

NUJ members working for the Northern Echo and Despatch, part of Westminster Press, declared a post-entire closed shop last year and are on strike over the employment of a sub-editor who refuses to join the union.

Editor expelled, Page 12

Continued from Page 1

Slater package

company, for \$10m., while SWS with its remaining subsidiaries of England's action appears to hinge on its desire to isolate the banking operations in SWS from tax liability that may arise under the provisions of the rest of the group.

The Bank also appears to have taken a view on the property and hopes at some stage to make a capital gain on a subsequent sale which will help recoup some of the costs of support.

If the proposals are accepted in full, SWS will continue to operate its Britannia Financial Services (the unit trusts) and Arrow Life Assurance, which are profitable.

However, because of the still high level of gearing after the package, it is not expected that SWS—which will assume the name of Britannia Arrow Holdings—will reach break-even point until 1978.

THE LEX COLUMN

Final lap in GO's paper chase

BY DAVID CURRY

PARIS, August 3.

Sir James Goldsmith says that, while he was away on holiday, various advisers fell to worrying about the market price of around 80p at which Cavenham shares were trading. Something better should be done for shareholders, they felt. And up they came with an ingenious scheme whereby, if shareholders would just exchange one share of paper for another, they would get something comparable to the 150p of May's partial bid. Shareholders, so the advisers stress, would also be rid of the unpleasant burden of the minority status. An incidental side-effect of this economic dating outside shareholders would be General Occidentale gaining complete control without paying a penny.

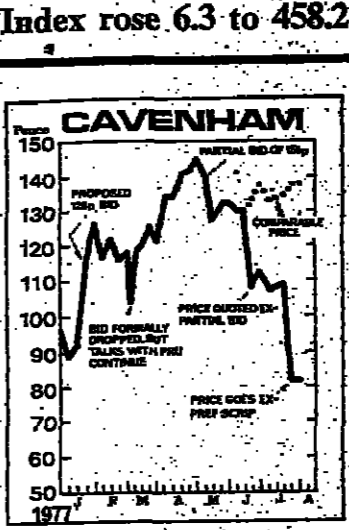
First, to nail the immediate logical flaw. The share price is no lower at 80p than it was in the 195p range ahead of the partial cash offer and Preference scrip issue.

The main issue is straightforward. GO is using Cavenham's own capital to eliminate the minority holding. This would be worrying enough as an isolated instance. But a similar paper shuffling tactic was used when Cavenham bought Generale Alimentaire from GO, so boosting GO's share in Cavenham from 39 per cent to 51 per cent. Should the present scheme go through then GO will have gone from holding 39 per cent of Cavenham to 100 per cent at the cost in cash of just the £40m. it produced in the partial bid.

For that price GO buys 61 per cent, and complete control of a company which has used its public status to become one of Europe's major food groups and made £88.5m. pre-tax in the year to April. To put this price in another perspective, Cavenham has said that its cash resources will build up to around £120m. over the next year.

The proposed scheme, as with its predecessors, has immediate short-term attractions to the Cavenham shareholder. But taking the sequence as a whole, GO stands to be a real winner.

Index rose 6.3 to 458.2



disposed of for much less worth. Slater net assets are being £37.1m. to £13.1m. as December 31, and paid £10m. or so allowing sequent revenue losses still amounts to over (mostly in foreign Equities move given the repayments are due but but asset disposals will and it is claimed that t will be on a "viable if the proposals go th

The aim is that a reconstruction the dubbed Britannia Ar move into modest profit a year or so, and on of shareholders' funds net worth per share a roughly 5p. But the great comfort for price, which was susp exactly that figure, worth of the property remains in some doubt while the group still persuade its long-suffering stockholders to accept price redemption offering the usual threat of liquidation they would less. Stockholders wonder how the B arrived at £14.2m. as a sum that can be pai

up loose ends. But why should the Bank also wish to buy an unlet office block in Fetter Lane, a tract of undeveloped housing land at Woosehill, and a \$10m. Note in Cornwall Equities, an obscure over-the-counter U.S. stock?

The Bank argues that it is not being unduly kind to Slater Walker, and it has a point when it is accepted that the real act of generosity—the support operation of December 1975—is now water under the bridge. That transformed the bank's position to the extent that instead of having a deficiency of upwards of £20m. it now represents a positive asset to the group. The Bank of England has agreed to pay £5.5m. plus £3m. for tax losses.

The logic behind the latest proposals runs roughly as follows. Slater Walker offered to sell the banking operation, but if it did so the write-down of £18m. or so in its group accounts would trigger its loan stock trust deed. The group would then collapse under the weight of £76m. or so of immediately repayable debt. So Slater could not sell without being given access to enough cash to pay off and cancel its three quoted loan stocks. The Bank therefore agreed to buy sterling assets for a total of £18m., which with £12m. from Slater Walker's own resources is enough to fund a £14.2m. offer for the three stocks, which carry a nominal total value of £18.2m., but which had a pre-suspension market value of only £11.7m.

The properties, as well as the banking subsidiary, are being

Weather

U.K. TO-DAY

DRY in most of England and Wales, some rain elsewhere. London, S.E. England, Cent. S. England, E. Anglia, E. Midlands, Channel Isles.

Dry, sunny intervals. Wind light, W. Max. 23C (73F).

N. Midlands, S.W. England, W. Wales, S. Wales.

Mostly dry, cloudy later. Wind moderate, S.W., freshening. Max. 20C (68F).

N. Wales, N.E., N.W. England, E. England, Cent. N. England

Mainly dry, cloudy later. Wind light W. Max. 20C (68F).

Isle of Man, Borders, Edinburgh, Dundee, S.W. Scotland, Glasgow, Central Highlands

Outbreaks of rain. Wind moderate to fresh S.W. Max. 18C (64F).

Scotland, Orkney, Shetland, Argyll, N.W. Scotland, N. Ireland, Aberdeen, Moray Firth, N.E.

Rain later. Wind light to moderate S.W. Max. 18-17C (65-63F).

Outlook: Showers, sunny intervals. Some longer periods of rain.

BUSINESS CENTRES		HOLIDAY RESORTS	
City	Year mid-day	City	Year mid-day
Algeria	21	Madrid	17
Amman	21	Manila	17
Algiers	21	Mexico	17
Antwerp	21	Montevideo	17
Athens	21	Moscow	17
Bahia	21	Mumbai	17
Barcelona	21	Nairobi	17
Bombay	21	Paris	17
Buenos Aires	21	Rangoon	17
Calcutta	21	Rio de Janeiro	17
Canton	21	Rome	17
Cebu	21	Singapore	17
Colon	21	Stockholm	17
Hankow	21	Taipei	17
Hong Kong	21	Tokyo	17
London	21	Yokohama	17
Lyons	21		
Manila	21		
Medan	21		
Mexico	21		
Montevideo	21		
Moscow	21		
Mumbai	21		
Nairobi	21		
Paris	21		
Rangoon	21		
Rio de Janeiro	21		
Rome	21		
Singapore	21		
Stockholm	21		
Taipei	21		
Tokyo	21		
Yokohama	21		

Portugal gets weavi there's a market your machine

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